

Midwest economy will benefit from long overdue Amtrak expansion

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August 17, 2023

Amtrak says the 2021 Bipartisan Infrastructure Law's \$\frac{\$66\text{ billion of railroad funding}}{\$a\$ new era of rail.} It's about time.

After a 50-year fight for survival, Amtrak finally has the resources to make passenger rail more viable. And the Midwest will be better off for it.

Forget the tired argument we don't have enough density. That's true in Wyoming or Montana. But <u>urban megaregion maps</u> show the Great Lakes region has enough density to justify -- in fact demand -- passenger rail.

The <u>Midwest Interstate Passenger Rail Commission</u> (MIPRC) has kept the states engaged. And the 2021 <u>Midwest Regional Rail Plan</u>, spawned from a Federal Railroad Administration-led study, provides a blueprint.

It's a rational plan with Chicago at the center of four pillar corridors to Detroit, Indianapolis, Minneapolis-St. Paul, and St. Louis. Recent progress: A new Chicago/Minneapolis train this fall, and speeds up to 110 mph on the Chicago/St. Louis route.

There are critics. In 2021, a month before <u>Cato Institute fired him</u>, Randal O'Toole wrote a blog saying the Midwest has abundant low-cost flights, so doesn't need rail. <u>Flightmares</u> have accelerated since 2021. Maybe O'Toole didn't see that coming.

O'Toole probably didn't see <u>this summer's wildfires</u> coming either. The Canadian Climate Institute estimates Canada in 2025 will have <u>\$25 billion of losses</u> -- about half of projected GDP growth -- relative to a stable climate scenario.

Behind Chicago and Toronto, our region has 11 cities of 1.5 million or more. Many are in the high-speed rail sweet spot -- too close to fly and too far to drive. There's a big environmental benefit too: Rail travel is 46% and 34% more energy efficient than driving and flying, respectively, according to Amtrak's Connect US report.

Nonetheless, Cato Institute says we have a "freeway shortage." Its <u>2021 policy</u> <u>analysis</u> disparages rail for expensive infrastructure, inflexible routes, and an inability to lure people out of automobiles.

The irony: While D.C. politicians promote rail, they're also intent on keeping gas prices low. Imagine if after OPEC formed Presidents Carter and Reagan had worked to impose gas taxes to keep prices above \$5 a gallon? Gas guzzling SUVs and pickup trucks would have been replaced long ago by electric vehicles and Middle East royalty wouldn't be rolling in our petrodollars.

If the government stopped keeping gas prices artificially low, many more environmentally sound initiatives would suddenly make good business sense. Public policy matters, and bad policy has consequences.

All transportation options are subsidized one way or another. Some subsidies are just more obvious. Do you count snow plowing and highway police as transportation expenditures? Since Congress approved airport privatization in 1996, only one has achieved it, according to the <u>Congressional Research Service</u>. So taxpayers are footing the bill to keep airports open.

The Highway Trust Fund -- the major source of federal road and bridge funding -- has been spending more than the gas tax brings in for two decades and is expected to be insolvent by 2028. It received more than \$270 billion in general revenue transfers between 2008 and 2021 to stay afloat, according to the Government Accountability Office.

Building transportation infrastructure takes time and lots of money. Fortress Group's Brightline (Milwaukee Bucks co-owner Wes Edens is a co-founder) expects to spend \$12 billion on the Los Angeles/Las Vegas route it's planning.

Amtrak spent \$2 billion on the Chicago/St. Louis route project it started in 2009. The result: Improved track infrastructure and safety, new and refurbished stations and 33 new higher-speed, more efficient rail cars. But it wasn't until June that Amtrak ran its first 110 mph train on the route.

It's still progress, given the obstacles.

Except in parts of Michigan, Amtrak's Midwest trains run on freight lines' tracks. The physics of heavy, slow-moving freight cars and high-speed passenger trains sharing tracks are challenging. And freight lines, which generally ignore Congress' 1971 mandate giving Amtrak trains preference, are the leading cause of Amtrak's delays.

When Amtrak tried to add three daily trains to its Chicago-Milwaukee service -- the Midwest's top route and our country's <u>sixth busiest</u> -- Glenview, Ill. spent \$500,000 lobbying against it because of a new freight train holding track.

Bait-the-base, trash trains rhetoric helped Wisconsin's Scott Walker and Ohio's John Kasich win governorships in 2011. The road builders' lobby is powerful. And politicians -- often in less populated states - want trains routed through their districts. SNCF, France's rail company, pulled out of California's LA to San Francisco high-speed rail project, saying it's too politically dysfunctional, according to the New York Times.

Our country needs public policy leadership here.

Spain, which has the second-largest high-speed rail network in the world, has 47 million people and about 2,300 miles of rail routes.

The 12 Midwest states aren't much different, with 68 million people and a plan covering about 3,000 miles.

"The existence of high-speed rail creates a massive benefit for the traveling public," said Ray Delahanty, whose 160,000-subscriber <u>CityNerd YouTube</u> channel explores topics like <u>subsidized</u> gas and Spain's rail system.

"And isn't that what government should be doing? Using its scale and authority to build regional and national investments that produce widespread public benefits."

There's federal money now, but unlike highways and airports, passenger rail has no permanent funding. Trans-continental rail may not be competitive, but regional rail is.

"Rail infrastructure is more durable and can transport people more efficiently than highways. It also has a much lower carbon footprint and is easier to electrify and convert to autonomous operations," said Mark Cane, a former freight railroad and Amtrak executive and author of "Against All Odds: The History of Burlington Northern Railroad's Innovative Intermodal Business."

High speed rail should be a regional priority – a win-win opportunity for state and local governments to collaborate to build a more livable future for all citizens. A future with less pollution, less congestion, and more livable cities. It's time for the Great Lakes states to stop planning and start doing.