



Ken Braun: Michigan Congressional delegation votes for Amtrak train robbery

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The Amtrak Office of Inspector General revealed on March 13 that the passenger railroad's net operating loss for last year was \$214 million. But this is what passes for "good news" on the taxpayer choo-choo train, which handed out \$11.2 million in incentive awards because employees kept 2014's gusher of government red ink to no worse than *negative* \$305 million. For most of the last decade, Amtrak has reported losses between \$350 million and \$450 million per year.

The official losses undercount the true level of taxpayer abuse. The Congress has been regularly appropriating more than a billion bucks in annual subsidies, such as the \$1.4 billion the trains will receive this year. Imagine the Detroit automakers asking for and receiving taxpayer bailouts every single year, for decades.

Some in Congress tried to put a stop to the bailouts less than two weeks before the Amtrak employee bonus report was released. In what The Hill newspaper characterized as a vote that "badly divided" Republicans, the GOP-controlled U.S. House voted 316-101 in favor of an \$8 billion proposal to re-authorize the subsidies through 2019.

Republican U.S. Reps. Justin Amash, Dan Benishek and Bill Huizenga were the only three Michigan lawmakers to vote against the reauthorization of Amtrak subsidies. Michigan's entire Democratic delegation in the U.S. House voted in favor of more years of Amtrak bailouts, and the Democrats were joined by Republicans Mike Bishop, John Moolenaar, Candice Miller, Fred Upton, David Trott and Tim Walberg.

Advocates of Amtrak often presume it receives taxpayer assistance at a level no worse than other forms of transportation. This isn't remotely close to true, as shown by Stopping the Runaway Train: The Case for Privatizing Amtrak, a 2012 report from the free market Cato Institute.

Author Randal O'Toole shows subsidies per passenger mile for Amtrak are nine times higher than airlines and twenty times higher than passenger vehicles (roads.)

Amtrak's waste stays under the radar because only a tiny few Americans ride trains. The subsidies - while obscenely outsized per passenger mile - can be misleadingly portrayed. Cato notes the average American flies 2000 miles per year and drives 15,000 miles per year, yet climbs on the choo choo train for just 20 miles per year.

Remarkably, the Congressional vote to keep the subsidies flowing at current levels represents the *compromise position*. The President's budget recommendation seeks to spike the 2016 subsidy up to \$2.45 billion, a billion dollar proposed increase cheered by choo choo cheerleaders who believe similarly wealthy nations subsidize train rides more than Americans. Yet the Cato report, citing Amtrak's own research from 2008, showed government subsidies per passenger mile in the United States were more than the taxpayer train largesse doled out in the United Kingdom, the Netherlands, Switzerland, France and Denmark.

Some of the reasons for the inefficiency are comical. Government auditors reported in 2012 the railroad lost more than \$800 million over the preceding decade on a pathetically wasteful effort to sell food. A *New York Times* story reported that a "\$9.50 hamburger on the train costs taxpayers \$16."

Almost everyone paying for the \$8 billion in brand new subsidies will rarely if ever benefit from them. This works out to more than \$50 to be taken from each American worker. For the same price, Michigan's Congressional delegation could have privatized Amtrak and appropriated a much more helpful \$50 gasoline redemption card for every working American. Those in Congress who voted 'yes' should be explaining why they took that money away from each of us and gave it to the Hamburglars at Amtrak.