



## **Latest highway bill would derail America's transportation system**

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Vibrant and resilient supply chains have kept deliveries of food and household goods on schedule since the start of the pandemic.

In particular, America's 140,000 miles of railroad tracks have made it possible and affordable to move goods across the country. But, if House Democrats get their way, it may soon become far more difficult for railroads to ship everything from chlorine-based disinfectants (for treating water) to corn for livestock.

The recently released \$494 billion transportation bill includes prescriptive restrictions on freight rail, such as unneeded staffing mandates promoted by leadership at rail labor organizations. The federal government should focus on expanding transportation and supply chain choices, not hampering existing viable options. America's logistical systems will keep chugging along as long as lawmakers and regulators don't impose unnecessary regulations.

On June 3, House Democrats on the House Transportation and Infrastructure Committee unveiled a nearly \$500 billion bill to fund surface transportation through 2025.

As with many other spending proposals originating from the House of Representatives these past few months, serious budgeting has taken a back seat to pet projects and wayward priorities. For example, a provision stipulating that, "No freight train may be operated unless such train has a crew of at least 1 appropriately qualified and certified conductor and 1 appropriately qualified and certified engineer," was included in the legislation. Democratic policymakers have long pushed for mandating two-person rail crews, despite a lack of evidence that crew size mandates lead to safer rail operations.

When the Federal Railroad Administration proposed a two-person crew rule (that they later retracted), the agency admitted that it "cannot provide reliable or conclusive statistical data to suggest whether one-person crew operations are generally safer or less safe than multiple-person crew operations."

Additionally, a 2017 simulation examining how humans and computer systems deal with safety concerns found that “the presence of automation with or without the conductor made much more of a difference . . . than the conductor alone.” State-of-the-art computer systems matter far more to safety than employee supervision, but additional regulatory requirements would kneecap railroads’ ability to invest in automation.

The crew size mandate is just one of many ludicrous policies proposed in the transportation bill without any justification or evidence. Another example is that funding for the National Railroad Passenger Corporation (aka Amtrak) tripled to \$29 billion through 2025. If Amtrak was well-run before the pandemic and was suddenly on the verge of bankruptcy due to COVID-19, maybe the company would have a case for more taxpayer funding. But, the taxpayer-funded corporation’s problems precede the pandemic, when only 11 out of 45 routes posted a profit.

In reality it’s difficult to say how profitable even the best performing lines are because Amtrak counts the subsidies it receives from 17 states as “passenger revenues.”

Cato Institute scholar Randal O’Toole notes that Amtrak fails to adequately account for depreciation in its financial reporting. With this shoddy accounting, taxpayers have no way of figuring out where their hard-earned dollars are going. The information that Amtrak does disclose in its financials is deeply troubling and should give lawmakers pause before tripling down on funding.

Amtrak is spending an astounding \$2 billion to cut an hour off a 5.5-hour rail journey between Chicago and St. Louis. That route can just as easily be traversed via an hour flight or 4.5-hour drive, but Amtrak insists that this “investment” is the best use of taxpayer dollars.

Whether it’s demanding that Amtrak better prioritize the taxpayer dollars it already has or backing away from train crew mandates, the House Transportation and Infrastructure Committee needs to go back to the drawing board with this legislation. The last thing that America’s supply chain needs right now is needless regulations and subsidies.