

Statehouse may move ahead with rail service

Adam B Sullivan May 10, 2013

Trains to Union Station won't start rolling here anytime soon, but the proposed Iowa City to Chicago passenger rail could get a small boost from the Statehouse this spring.

The federal government committed \$230 million toward the project three years ago, but that money has sat idle, waiting for Iowa leaders to commit matching funds. Some lawmakers now are pushing to set aside \$5.5 million for rail projects — not enough to start the Iowa City to Chicago rail, but officials hope it's enough to show the feds that the state is making progress.

“The federal government wants to see that money spent,” said Geoff Fruin, assistant to the city manager of Iowa City. “I think the money is safe, but if we don't take action this legislative session, there's a risk that it might not be around for next year's session.”

Illinois already has committed matching funds for the project and is moving forward with a rail line from Chicago to the Quad Cities. Iowa hasn't done that — some leaders want to study the prospect of a longer regional line before moving forward, while others worry about hefty subsidies to keep the train running.

The Iowa Department of Transportation is conducting a study on the viability of connecting Des Moines on the Chicago to Iowa City route as well. Although that study won't be complete until May, Des Moines leaders say extending the track westward past Iowa City makes sense.

Glenn Lyons, president of the Des Moines Downtown Community Alliance, noted that adding stops in the Des Moines and Omaha, Neb., metropolitan areas adds about 1.5 million residents to the service area. And like Iowa City officials, he's hoping lawmakers commit money sooner rather than later.

“You've got really good efficiencies when you move more people on one track,” Lyons said. “... The money hasn't been taken away yet, but we're getting to the point where we need to put up our match.”

In all, the state eventually would need to commit more than \$20 million to access the federal funds for the project. Some Republican legislators and Gov. Terry Branstad have been reluctant to do that, saying the train will end up costing the state millions annually.

The Iowa City Area Chamber of Commerce, one of the leading proponents of the project, estimates a \$3 million annual subsidy to operate the rail would translate to \$11.8 million in economic gain for Iowa.

However, other research shows many passenger lines fail to attract substantial ridership and that the cost for users often is higher than traveling by highway or air. A 2010 study from the Cato Institute in Washington, D.C., showed rider fares on an average American passenger line cover only about a quarter of total costs, leaving subsidies to cover the rest.

Despite concerns, supporters hope they can rally bipartisan backing by promoting the agricultural benefits of rail development. Passenger rail projects also likely would include improvements for freight service.

“There would be a few passenger trains a day and the rest is freight. The track upgrade helps corn, soybeans, everything,” said Iowa Rep. Jim Lykam, D-Davenport, ranking member on the House Transportation Committee and a member of the transportation appropriations subcommittee.

Like most of the state’s budget for the next fiscal year, the potential \$5.5 million for rail projects is caught up in compromise talks between the Republican-controlled House and the Democrat-controlled Senate. Lawmakers say they’re getting closer on budget numbers, but work remains to be done before a spending plan is done.

“We’ll just have to wait and see how it goes,” said Iowa Rep. Sally Stutsman, D-Riverside. “It’s not only for our area — it’s for the whole state. It’s a great economic development tool.”