

Service Development for Amtrak Intercity Passenger Rail

House and Senate Committee Questions Relative to Passenger Rail Expansion
January 25, 2012

The following questions were raised in Senate and House transportation committee meetings on January 25, 2012.

Q: How many permanent jobs will be generated under new passenger rails service?

(Wetta)

A: Heartland Flyer Extension: 148

Kansas City-Fort Worth: 370

(Source: Amtrak Feasibility Study-2010; page 8)

Q: What are the projected ridership estimates? (Pottorff)

A: Heartland Flyer Extension: 200,500 annually

Kansas City-Fort Worth: 270,500 annually

Combined Heartland Flyer and KC-Fort Worth: 360,000 annually

Q: Would Amtrak turn around and close stations with low ridership? (Hayzlett)

A: There have been no Amtrak stations closed in Kansas Oklahoma or Missouri during the last 15 years. On-line ticketing makes closure unlikely as well as unnecessary. Many Amtrak stations are staffed with volunteers.

Q: What is the effect of station stops on the schedule and travel time? (Marshall)

A: Very minor. Stops average 5 minutes or less. The proposed 20 stations on the route involve about 90 minutes of travel time. Elimination of any 5 minute stop will reduce travel time only a little unless a large number of stops eliminated. This will have a very negative impact on ridership. Major delays and travel time is essentially governed by track speed limits for freight traffic, which is 69 mph.

Q: What is the Missouri KC-St. Louis ridership (2011)?; What is the cost? (Kultala)

A: Ridership: 200,000. Cost \$8.5 million dollars for 4 trains each day on a 275 mile route with 8 stations.

Q: What is the Cost-Benefit estimate for passenger service on the corridor (Spalding)

The cost benefit for combined service is .88, and is very high. This level of CB is remarkable in two ways, first it is much higher than national averages, and second historical empirical evidence of initial ridership on other new routes has been notably under projected, the Heartland Flyer stub in service being one nearby example, and the Lynchburg, Virginia service be another where the profit margin has been greater than 1-1.



Q: What does “legislative commitment” mean? (Swanson/Hayzlett)

A: FRA guidance in the PRIAA act and similar Federal grant programs “commitment” requires that each state verify its ability to support intercity passenger rail (or high speed rail), identify a funding process, and identify the cost and benefit of any new proposed service based on a standard FRA cost benefit analysis model. The Service Development Plan was completed according to FRA guidelines and includes the required cost benefit analysis. The State legislature authorized KDOT (under SB 409 enabling legislation) to apply for federal matching grants and administer passenger rail development through the revolving fund. The transportation committees should be able to satisfy the “commitment” requirement by directing that funds under the current Comprehensive Transportation Plan be placed in the revolving fund. KDOT would use revolving funds to apply for Federal matching grants to undertake the next development step that include the environmental impact assessment, and preliminary engineering. A Federal match for this step is dependent on having a State match in the KDOT revolving fund budget.

Recent Passenger Rail Legislation

- 1) **PRIRA: The Passenger Rail Improvement and Reform Act of 2007 (PRIRA)** authorized \$30 million for passenger rail improvement projects, and more importantly established a new mechanism of match funding for passenger rail similar to Federal Highway funding. Missouri, an early applicant and received 10% of the funds and lengthened a critical passing track near California, Missouri in November 2009 eliminated a freight bottleneck that provided instant improvement in Amtrak service, from under 150,000 passengers in 2009, to over 200,000 in 2011.
- 2) **PRIIA: The Passenger Rail Investment and Improvement Act of 2008 (PRIIA)** authorized intercity passenger rail grant programs with a focus upon state-supplemental corridors. PRIIA authorized an 80-20 federal-state grant matching program. PRIIA policy and funding strategies exist at the core of the American Recovery and Reinvestment Act of 2010 (ARRA).
- 3) **ARRA: American Recovery and Reinvestment Act** provided \$8 billion for national Intercity Passenger Rail and High Speed rail development. Shovel ready projects were given priority. A number of Midwest states were awarded sizeable capital development grants including Missouri (\$31 million), and Ohio (\$400 million). Nearly all of the ARRA capital grants were 100% Federal.
- 4) **HISPR: High Speed Intercity Passenger Rail program:** HSIPR, administered by the Federal Railroad Administration (FRA), provides guidance and funding for high speed and conventional passenger rail. Round I of the ARRA capital awards were granted to a handful of high profile projects. Kansas received a \$250,000 50-50 match grant to complete a Service Development Plan. Kansas and Oklahoma committed \$125,000 each towards the federal match. An interactive national program map is located at: <http://www.fra.dot.gov/Pages/2243.shtml>
- 5) **National Rail Plan/State Rail Plan:** The National Rail Plan is a FRA policy and document that provides guidance for intercity passenger rail development. Issued by the FRA director, it directs the FRA to provide assistance to States in developing State Rail Plans (completed by Kansas in 2010) and Service Development Plans (completed for Kansas in 2011).
- 6) **SB-409: Kansas Passenger Rail Service Program Act-2010**

The Kansas legislature approved this enabling bill in 2010 that authorized the Secretary of Transportation to 1) enter agreements with Amtrak for service; 2) and with local jurisdictions for service development; 3) make and administer loans for corridor development; 4) through the establishment of a revolving fund to administer dedicated Federal grants.

