

Testimony Before Wisconsin Senate Committee on Commerce, Utilities and Rail

October 25, 2007

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Chairman Plale, Members of the Senate Committee on Commerce, Utilities and Rail, thank you for allowing me to speak to you today in support of Senate Bill 72, which would enable Wisconsin to join the Midwest Interstate Passenger Rail Compact.

My name is Laura Kliever, and I serve as director of the Midwest Interstate Passenger Rail Commission, an organization committed to ensuring that rail remains a viable transportation alternative for the citizens of its member states. The MIPRC was created when the compact language was passed by three states – Indiana, Minnesota and Missouri. Current membership in the commission includes those three states, as well as Nebraska, North Dakota and Ohio, Michigan (which joined in 2006) and Illinois and Iowa, which joined this year.

As you know, the bill's primary sponsor is Sen. Risser, and SB 72 enjoys bipartisan sponsorship and support. Why join the compact? Because joining the MIPRC will help Wisconsin ensure that passenger rail gets the consideration by elected leaders that will allow your state and the region to transition to a more effective multimodal transportation system.

The Midwest Interstate Passenger Rail Commission has been a leading voice for rail improvements since 2000. The keystone of the commission's advocacy efforts is presenting a unified voice on the importance of passenger rail to a balanced national transportation system. The MIPRC has been effective in educating Members of Congress from its member states on the importance of passenger rail development. MIPRC commissioners meet regularly with Congressional leaders to encourage increased federal commitment to rail transportation. The MIPRC has taken leadership roles in formulating and articulating joint principles for passenger rail development shared among state officials, advocacy organizations, unions and the private sector. The MIPRC took a leadership role in drafting the American Passenger Rail Agreement. And MIPRC commissioners and staff continue the work of educating state officials about the benefits of efficient and frequent passenger rail service.

It is an exciting time for passenger rail: ridership on Amtrak is at an all-time high as people increasingly choose this efficient and environmentally-friendly means of transportation. Yet the Midwest needs a unified voice to advocate at the federal, state and local levels for frequent, convenient and cost-effective passenger rail service. Intercity passenger rail development is predominantly a *multi-state* pursuit. The Midwest Interstate Passenger Rail Commission brings the strength of elected

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state officials (the legislature and the executive branch, through the governor) in each state to bear. And, united among states, we are even stronger. Because compacts, with identical language in each state, must be passed by the eligible state's legislature, and signed by the governor, the Midwest Interstate Passenger Rail Compact brings structure and legitimacy to *multi-state* advocacy for passenger rail.

The MIPRC continues to work at the federal and state levels, to ensure that our national passenger rail system remains intact and adequately funded. We have been advocates for reform as well as advocates to ensure that passenger rail service is not diminished.

Why should states pursue passenger rail development? MIPRC member states believe that passenger rail is an important part of the transportation solution for the future. Intercity passenger rail development will complement other modes of transportation by providing a necessary middle-distance way to travel. Passenger rail is significantly more energy efficient than either commercial airlines or cars, and less expensive than building or expanding airports or roads. Also rail can serve as a vital resource if disaster strikes, and is crucial to managing traffic if other modes of transportation shut down.

Wisconsin is one of fourteen states that provides direct operating subsidies to Amtrak and, as a result, Wisconsin is experiencing the benefits that increased passenger rail can bring to a state. Over the past three years, Wisconsin has seen a 28 percent increase in the number of passengers boarding or getting off at stations in the state. The new Milwaukee airport stop has been an outstanding success. Your state-supported Hiawatha service experienced a 29 percent increase in ridership between FY 04 and FY 07, and the long-distance Empire Builder service that travels from Chicago through Wisconsin to Seattle and Portland experienced more than a 15 percent ridership increase over this same time.

The MIPRC is a leading advocate for the Midwest Regional Rail Initiative (MWRRI) plan. This plan would bring more frequent, efficient passenger rail service to the Midwest region. We work closely with the DOT officials that developed the MWRRI to ensure the plan continues to advance. Along with educating state legislators about the initiative's merits, MIPRC commissioners meet with Members of Congress, and have helped to secure federal earmarks.

As you may know, implementation of the MWRRI would bring significant improvements: new service, improved travel times, and feeder bus service to further

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expand the service's reach. It would also bring significant economic gains. The MWRRI recently updated its economic analysis of the benefits that the fully-implemented plan would bring to the region. The new projections show a benefits-to-cost ratio of 1.8 – \$1.80 in return for every dollar invested, one of the highest for any regional rail system in the U.S. In addition to generating 23 billion dollars in overall benefits, the system would generate nearly 58,000 permanent new jobs and 5.3 billion dollars in increased earnings over the construction period.

The MWRRI plan also holds promise for Wisconsin. The Midwest Regional Rail System will benefit Wisconsin's passenger rail system, as well as your state's economy. Passenger rail improvements would include new service from Milwaukee to Madison (10 roundtrips a day!), with 6 of those trains continuing on to St. Paul; 7 daily roundtrips from Milwaukee to Green Bay, and even more service between Chicago and Milwaukee. The system will create over 9,500 new permanent jobs in the state and generate 173 million dollars in extra household income. It will also create between 3.5 and 4.6 billion dollars in user benefits, through reduced travel times, decreased congestion, and reductions in emissions, as more people take the train instead of driving or flying.

It is critical to have state leaders working together to advocate for the federal commitment and state planning that is necessary to see passenger rail initiatives become a reality. The MIPRC is the vehicle for state elected leaders to do just that.

As I mentioned, most of the eligible states have joined the MIPRC and are active members. With the additions of Illinois and Iowa this year, Wisconsin is the only state that is part of the Midwest Regional Rail Initiative but hasn't yet joined the Midwest Interstate Passenger Rail Compact.

I hope you will take quick action on SB 72, so that Wisconsin can join the Midwest Interstate Passenger Rail Compact by early next year, and help passenger rail in the Midwest receive the attention it deserves. As a region, in partnership with the federal government, the Midwest can become the nation's leader in offering viable, economically-feasible and efficient passenger rail travel. We would like to work with Wisconsin legislators and the governor to give passenger rail the support it deserves, both within our region and in Washington, D.C.

I would be glad to answer any questions you may have. Thank you for your consideration.