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TESTIMONY

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TESTIMONY BEFORE MISSOURI'S JOINT COMMITTEE ON TRANSPORTATION OVERSIGHT

By David Stokes

To the honorable members of this committee:

Thank you for the opportunity to address you briefly today. Last week, the Show-Me Institute released a study by Randal O'Toole, a senior fellow with the Cato Institute, titled, "Why Missouri Taxpayers Should Not Build High-Speed Rail." I have provided copies of the study, along with the accompanying briefing paper and op-ed, to all of you. O'Toole's study provides thorough documentation about why it would be a tremendous fiscal policy mistake to invest our taxpayer dollars in high-speed rail.

First, however, I want to clarify the focus of his paper. O'Toole's study discusses the 8,500-mile high-speed rail plan proposed for the United States by the Federal Railroad Administration. This plan includes a corridor from Chicago to Saint Louis to Kansas City. I emphasize, though, that O'Toole's study does not

address the ongoing improvements to the current Saint Louis-to-Kansas City Amtrak route that were recommended in the 2007 report "Missouri Freight and Passenger Rail Capacity Analysis," prepared by the Missouri Transportation Institute and the Missouri Department of Transportation — even though MoDOT plans to undertake several of the improvements recommended in that report by applying for federal stimulus funding designated for "high-speed rail." I believe that the improvements recommended in that report — especially the three primary proposals that were planned even before the stimulus package was approved — would be much more cost-effective in improving Missouri's rail service, without committing the state to the types of enormous long-term costs and subsidies that a new high-speed rail system would entail.

In 2004, the Midwest Regional

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Rail Initiative, a pro-rail group, estimated that it would cost slightly less than \$1 billion to upgrade the tracks from Saint Louis to Kansas City and purchase the new equipment to allow for moderate-speed trains with a top speed of 110 mph, compared to the current top speed of 79 mph. Those projected costs have certainly increased since then, even though they considers the capital cost alone. The figure leaves out cost overruns, operating expenses, repair and maintenance, and more. The burden for those additional costs would fall on the state of Missouri and its taxpayers — not the federal government.

Ultimately, all this money would be spent for trains that would travel only marginally faster than the current trains. For Missouri to build true high-speed rail — the type that American tourists ride in Europe at 150 mph — would cost Missouri taxpayers billions more, all to serve the small percentage of the population that uses passenger rail. At the proposed top speed of 110 mph, a trip from Kansas City to Chicago that travels through Saint Louis would be, at best, about an eight-hour trip. A traveler could take a flight from Kansas City

to Chicago lasting one hour and 20 minutes for roughly the same price. Does anyone really think that many travelers will choose high-speed rail for this trip?

Using 2025 ridership projections from the pro-rail Center For Clean Air Policy and population projections from the Census Bureau, Randal O'Toole has calculated that even if the proposed FRA high-speed rail plan were fully constructed, the average Missourian would take a round trip on it only once every six years. How can it be wise for Missouri to invest billions of dollars to construct something that will serve the average resident only twice per decade?

O'Toole's study documents the extremely large costs and very questionable benefits that a significant investment in high-speed rail would bring Missouri. I encourage you all to consider its conclusions carefully as you move forward with discussions of these long-term proposals. Thank you for your time, and I am happy to answer as many questions about Randal O'Toole's study as I am able.

For more of the Show-Me Institute's research about Missouri transportation issues, visit www.showmeinstitute.org.



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