

# Virginia-North Carolina Interstate High Speed Rail Compact

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Richmond, Virginia

## V. Federal Funding Environment

1. Thank you and Happy New **Year**.
2. David Ewing
  - a. Sole proprietary consultant
  - b. Alexandria, VA
  - c. Clients include the States for Passenger Rail Coalition
    - i. Virginia and North Carolina members
3. Federal Funding Environment: Two Issues
  - a. House T & I Hearing on the Northeast Corridor and SHSR perspective
  - b. MAP-21 and other Federal Legislation related to the prospect for funding ICPR
4. Background: SAFETEA-LU
  - a. Expired on October 30, 2009
  - b. Funding is the issue:
    - i. Policy of economic austerity
    - ii. Gas tax is gradually less productive
    - iii. Other means of capital formation explored: tolling
  - c. Current Extension (PL 109-59) expires March 31, 2012
  - d. Time is running out
  - e. Calendar is very tight, a small number of legislative days
  - f. Toxic political atmosphere
  - g. Presidential Silly-season will both distract attention and block bi-partisan efforts
  - h. Congress must deal with pending FAA reauthorization as well.
  - i. Jurisdictional maze; multiple committees
    - i. House T & I
    - ii. Senate Commerce and EPW
5. 2011: Senate
  - a. November 19 the Environment and Public Works (EPW) Committee passed a bipartisan two-year surface transportation bill (MAP-21) (S 1813)
    - i. Reauthorized the Congestion Mitigation and Air Quality Program; intercity passenger rail remain eligible to use the funds to cover operating expenses;
    - ii. A Lautenberg amendment to make intercity passenger rail eligible for additional funding is pending

- b. December 14 the Commerce Committee approved the measure's safety, freight and research components. But at the end of the year, the bill's title's dealing with rail was still tied up A draft is circulating; however, it does not contain any additional funding for capital. Two key areas:
  - i. Authorizes funds for state supported trains to meet provisions in earlier legislation (PRIIA section 209)
  - ii. Creates a corridor planning requirement.

6. 2011: House

- a. House Transportation and Infrastructure Committee Chairman John Mica (R-Florida. Follow the money:

**HSIPR Funding At A Glance: \$10.1 billion**  
(Source: FRA, 12-21-11. Karen Hedlund, e-mail)

- \$4,919 Million for Core Express Corridors (125 – 250+ mph)**
- \$4,591 Million for Regional Corridors (90 – 125 mph)**
- \$539 Million for Emerging Corridors (up to 90 mph)**
- \$25 Million for State Rail Plans & Amtrak Long Distance Services**

- b. July, T & I Republicans released an outline for a new surface transportation bill. The rail title would:
  - i. Abolish HSIPR (sections 301 and 302)
  - ii. Reduce Amtrak operating funding
- c. On June 15 Mr. Mica and Mr. Shuster announced the outline of legislation to create a public-private partnership for high-speed rail development in the NEC. Mr. Mica later essentially withdrew the proposal in the face of extraordinary opposition.
  - i. Mr. Mica and Mr. Shuster continue to strongly believe that the only place for “true” high-speed rail in the US is in the NEC; they strenuously oppose the efforts in California.
- d. December 6 hearing centered on the Northeast Corridor.
  - i. Of the \$4.919 billion-\$954 million spent on the NEC while 39 percent has gone to the California high-speed rail project

ii. NEC attributes:

1. Right-of-way publicly owned (note Mr. Mica considers the Amtrak owned portions of the NEC to be in the public domain.)
2. Established ridership;
3. Population density
4. Economic and financial links;
5. Intermodal connections-especially air shuttles.

7. How to add the SHSR Perspective On:

- a. SHSR brand is strong but narrowly marketed;
- b. You must be present to win: participation in the Northeast Corridor Infrastructure and Operations Advisory Commission is essential;
- c. Invaluable support from advocacy groups.
  - i. Hosting meetings and participation in national groups
- d. Increase networking and outreach through participation in both large and small events by principals in the group through a structured outreach plan.

Basic Conclusions:

1. Long-term federal transportation legislation is not likely. Either a two year bill or another extension is probable.
2. Significant additional federal capital funds will not be forthcoming.
3. Careful and intentional planning and advocacy is required, federal capital funding is cyclical and will return and reward those who are prepared. The prime targets should be the annual federal appropriation process.