



ProRail Nebraska News

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Busy Season of Important Meetings for ProRail Nebraska Members

Three meetings are in the planning stages for your organization in late winter and early spring. A number of significant developments on the state rail passenger scene and critical issues affecting the very future of Amtrak will be on the meeting agendas. Mark your calendars for:

- The regular winter membership meeting will be held at the newly-renovated CB&Q railroad depot in Grand Island, (now called Plum Creek Station), on Saturday, February 16. It is scheduled purposefully on the same day as the annual meeting-dinner of the Great Plains Chapter, NRHS, in the evening, to encourage a crossover of PRN members attending the NRHS event and vice-versa. Cost for the catered buffet will be \$12 per person. Evening speaker will be **Bob Krieger** of the Union Pacific Crew.
- It is Nebraska's turn to host the NARP Region 10 membership meeting, scheduled on a rotational basis with the Ia. Assn. of Railroad Passengers and Colorail. (Utah, Wyoming and South Dakota are also included in Region 10, but do not have state rail passenger associations--at present, neither Wyoming nor South Dakota have Amtrak service). This meeting will be held Saturday, April 6 at the Redick Grille in downtown Omaha.
- The annual meeting of ProRail Nebraska will be held in May, as mandated by the by-laws. The date and site have not been confirmed yet by the PRN board of directors. This year's business session will include election of some officers and directors who have completed 2-year terms.

Details: **February meeting at Grand Island:** The meeting will run from 10:30 a.m. (coffee and registration) to about 2 p.m. in the afternoon. Food will be catered in; meal cost will be \$7.00. Pre-registration is required to get a head count for lunch. (See registration form on page 8). There will be an opportunity (hopefully with carpooling), to drive to Hastings after the PRN meeting to view the fantastic remodeled Burlington Station, which includes the Amtrak ticket office and waiting room. Doors for the evening event open at 5 p.m. Here are directions to drive to the Plum Creek Station, 603 N. Plum Street. (please clip for reference): **Highway 30 westbound:** Turn north on Oak Street west of the BNSF overpass. Turn east on 4th Street just north of the Union Pacific railroad tracks. Go two blocks and turn north on Plum Street (west of BNSF overpass). **Interstate 80 approaching G.I. either eastbound or westbound:** Turn north at the I-80/U.S. 281 interchange, proceed to Highway 30. Turn east and stay on Highway 30 through downtown to Oak Street and turn north. Cross the Union Pacific tracks and turn east on 4th Street two blocks to Plum Street and turn left. **U.S. 281 or Nebraska Highway 2 from the north and west:** Go south on Broadwell to Five Points and south on Eddy to 4th Street. Turn east and go to Plum Street, and turn north.

Region 10 meeting April 6: A separate mailer with reservation blank will be mailed to you. The meeting will run from 9:30 a.m. (registration and coffee) to no later than 3 p.m. Plans are underway for "extracurricular" rail-activities in the afternoon; tentative thoughts are a possible tour of the old Burlington Station, time at the Western Heritage Museum (former U.P. passenger station), and the Rock Island museum in Council Bluffs. More details of this event will be announced at the Feb. 16 meeting.

May annual meeting: Probable site: Lincoln on a Saturday, missing UNL spring commencement. A separate mailer-reservation form will be mailed, or we may put out a brief newsletter with this announcement if developments on the rail passenger front warrant.

Federal Grant Approval Signals “High Green” for Omaha-Lincoln Commuter Rail Study

A time for cautious celebration by ProRail Nebraska!

The inclusion of a \$200,000 federal grant in the U.S. Department of Transportation bill approved by Congress has broken a logjam on initiating a feasibility study of proposed commuter rail service between Lincoln and Omaha. ProRail Nebraska, which listed an Omaha-Lincoln commuter rail system as one of its original goals, has been involved in an advocacy role since the inception of the idea in an interim study of the concept and subsequent approval of LB 829, enabling legislation, by the Nebraska Unicameral.

LB 829 actually is “framework legislation,” which calls for appropriate studies of surface transportation commuter service throughout the state, but the priority focus was and continues to be the Lincoln-Omaha corridor, with its growing population and continued congestion buildup on I-80. Language in the bill would open the door for possible future studies of such highway-only corridors as Columbus-Fremont-Omaha; Omaha-Nebraska City; Nebraska City-Lincoln, Blair-Omaha and perhaps someday Grand Island-Hastings.

The Omaha-Lincoln commuter feasibility study, which would be carried out by N-TRAC (Nebraska Transit and Rail Advisory Council), has been stalled the past year after a legislative appropriation for \$100,00 was vetoed by Governor **Mike Johanns**. The federal grant request had bi-partisan support: First District Congressman **Doug Bereuter** endorsed the request for federal funding; both U.S. Senators **Ben Nelson** (D) and **Chuck Hagel** (R), were strong supporters of the grant request.

In addition to the \$200,000, which technically is appropriated for “the Architectural & Transportation Barriers Compliance Board to study the Lincoln to Omaha Passenger Rail Project,” about \$70,000 is also available in contributions from several sources, including \$1,206 from ProRail Nebraska. Initially, the cities of Omaha and Lincoln each pledged \$5,000 toward the feasibility study funding. At a January 10 meeting of N-TRAC, the 11-member board appointed by the Governor, some concern was raised regarding the fulfilling of pledges unless there is some state financial support--at least symbolic--for the project. A general feeling was expressed that Governor Johanns would look favorably on a (modest?) state appropriation, despite the state’s budget crunch.

Acting on a news tip from ProRail Nebraska, the Omaha World-Herald’s reporter **Henry J. Cordes**, who has covered the State Department of Roads, wrote a story on the January 10 meeting which began on the front page of the Midlands section of the January 11 edition. The news article, headlined “Study Looking at Rail Service Options,” included a reproduction of the conceptual map “ProRail Nebraska’s Vision for Commuter Railway,” which has been used in many presentations during the past two years. President Dan Lutz was quoted out in the story, as was **Duane Eitel**, N-TRAC chairman. The story by the World-Herald, the only daily which blankets the state with news coverage, will go far to raise the level of awareness of grass-roots citizens regarding the commuter rail issue. Disappointingly, the Lincoln Journal Star did not run a story on the grant approval; the development was included in Channel 8 television’s newscasts.

“It’s an exciting time,” Eitel said in the World-Herald news article. “There is no doubt in my mind at some point in the future there will be more trains used in this country.” N-TRAC will be scheduling a public meeting at which time organizations and individuals may offer input, especially on the “scope” component of the study, i.e., parameters of the study, criteria regarding costs, ridership, location of stations, etc. N-TRAC will contract with a consulting firm to do an objective, comprehensive study.

The next regularly scheduled N-TRAC meeting is March 7; both the public meeting, probably scheduled in February, and the March meeting are a MUST for ProRail Nebraska officer and member attendance.

ProRail Nebraska Business, Project Update

Video Project: Member **Royce Burrell** of Omaha, retired former audio-visual expert with Union Pacific Railroad, as reported earlier, offered his talents as an in-kind contribution to our organization to assist in developing and producing a video focusing on ProRail Nebraska--who we are and what we do--and general promotion on rail passenger service in Nebraska.

Burrell engaged a script writer, who turned out a first draft of an introduction and synopsis of a script. This initial effort was reviewed by an ad hoc committee composed of **Jeff Poley**, who has a wide background in video production; **Eugene Nick**, who is a Nebraska Educational Television staff member, and **Dan Lutz**, president. Suggestions were made in particular on the "hook" or introduction to the video, along with other more minor comments, which were well accepted by both Burrell and the script writer. Work is continuing; contacts will be made with Amtrak and possibly other sources for footage which could be used to minimize costs of original filming. A hope is that the video will be completed by mid-year and be available as a resource for ProRail Nebraska members in making appearances to inform and educate civic groups, service clubs and other gatherings of grass-roots citizens.

Articles of Incorporation and By-laws Revision: Following up on a board decision, an attorney with the Wahoo firm of Edstrom, Bromm, Lindahl, Sohl & Freeman-Caddy, has put together a revised version of the original Articles of Incorporation. When it was found that our original articles had lapsed in the Secretary of State's office due to failure to turn in an annual report, attorneys advised that the articles were "out of date" and needed to be overhauled.

The "Restated Articles of Incorporation", according to the legal process, must be approved by the PRN Board and then submitted to the membership, with a 2/3 favorable required to officially amend the Articles. We have been advised that the by-laws may also need to be revised, (to assure consistency with the Articles), which can be done by our organization, with a signed copy provided to the attorney. The final step in this process will be filing of the Articles with the Secretary of State and the Lancaster County Legal Reporter.

Restating of the Articles is a first step in a process to make ProRail Nebraska eligible for 501(c)3 status, which would allow dues and contributions to be federal tax-deductible. To be eligible for 501(c)3, the organization must walk a fine line between activities and efforts that are "educational" and avoid outright lobbying activities as a major thrust. At present, ProRail Nebraska is a 501(c)6 nonprofit organization; president Dan Lutz is a registered lobbyist requiring a \$15 annual fee.

It should be pointed out that this process and further efforts to fill out a complicated IRS form have incurred, and will continue to incur, legal costs. Costs so far for legal research and review are \$219, not counting the maximum of \$200 agreed upon for a draft of revised Articles of Incorporation and other accompanying documents. Our board of directors consider this process important to keep our organization in solid legal ground, and if the result is a 501(c)3 designation, costs would be an investment which would yield more cash resources in the long run.

Membership Committee: Recent board action called for formation of a membership committee, to help maintain and expand our membership base. At present, our organization has no standing committees. Members were given an opportunity when renewing to mark a blank indicating their willingness to serve on this new committee; so far, only two individuals have checked the blank. As this is written (week of January 14), approximately 35 of our membership roster of about 100 persons, according to our records, have not remitted their dues for calendar year 2002. If you are in this "select group," please send in your check today! ProRail Nebraska has more projects "on the plate" than any time in our short history (since 1994), but this welcome and promising activity in many cases just won't happen without fiscal as well as people support.

“Less Than Carload Lots”

President’s Column

ProRail Nebraska member **John Ludden** of Lincoln is to be complimented on his tenacity and dedication while serving on the Transportation Committee of the City of Lincoln’s Comprehensive Plan Committee. The Comprehensive Plan is being updated and will provide a broad blueprint for the capital city’s development and growth in the coming years.

In a section of the Transportation Committee draft, Ludden pushed for the following wording: “Explore Regional and Commuter Transit Service Options: Travel between Lincoln and regional destinations (such as the Omaha metropolitan area) will increase during the planning period. The travel will include routine commuter trips as well as other discretionary travel. Public transportation may support the travel using a variety of transit delivery options--including buses and rail service employing various vehicle types and service configurations. Condensed statement: Consider rail service and other transit modes to provide regional public transportation services (particularly Lincoln-Omaha) during the interim and long term.”

To gather facts and bolster his arguments, Ludden asked PRN members for their thoughts and comments on commuter rail, which unleashed a deluge of messages with excellent points made. His request resulted in a dynamic process in which many PRN members offered their expert opinions to a number of questions. A real side-benefit to our organization in seeking and receiving member involvement!

On the down side, a veteran Lincoln developer, **Joe Hampton**, voiced a cynical observation in a news story in the January 13 edition of the Lincoln Journal Star. The story was headlined “Lincoln, Omaha Collaboration Sought.” Hampton, a former Lincoln City Council member, reacted to the news that a \$200,000 study is going to examine the feasibility of a commuter rail line (mistakenly called high-speed rail by the newspaper) between the two cities: (quote from the news story) “Hampton is highly skeptical of a commuter rail line’s chances of success. He contends the population density isn’t there yet, and divergent daily transit needs of most families make them more dependent on automobiles, not less.”

Commuter rail cars are coming off the assembly line in the Kawasaki plant in Lincoln! **Dick Schmeling** checked with Kawasaki spokesman **Lanny Nissen**, who reported (as of mid-January), three passenger cars have been completed. Workers are being trained in the manufacture of the product which is new to the Lincoln plant, and the assembly of the cars will pick up speed. Nissen said no public tours can be scheduled at present, but tentative plans call for a ceremony in April, after which tours will be conducted for interested groups--a possibility for ProRail Nebraska members if the annual meeting is held in May in Lincoln..

ProRail Nebraska owes a debt of thanks to the city councils, county boards and other groups for their support and interest which helped to pass the enabling legislation in the first place, and later to boost the chances of obtaining necessary federal funding to underwrite the required feasibility study. A news release reflecting PRN’s appreciation for the support of government bodies in Lincoln, Waverly, Ashland, Gretna, Papillion, Ralston and Omaha (as well as Lancaster and Sarpy Counties) is being distributed to newspapers in the communities along the Omaha-Lincoln rail corridor, along with a copy and cover letter to the mayors, city managers, county boards, and a number of other entities.

(From press reports): The Nebraska Legislature’s Transportation and Telecommunications Committee considering how best to study the impact of economic development along the Omaha-Lincoln Interstate 80 corridor were surprised when a non-profit organization stated it already is conducting a study with state funds. The Joslyn Castle Institute for Sustainable Communities, armed with a 3-year, \$225,000 grant from the state’s Environmental Trust Fund, is in its second year of study the effects of development along the corridor, according to Executive Director **Catherine McGuire**.

President's Column - I-80 Corridor Study - Continued

The revelation came at a hearing on Dec. 21 exploring how to best inexpensively implement LB 661, a bill sponsored by Omaha Senator **Jim Jensen** in the 2001 Legislature to set up a study task force. (ProRail Nebraska testified at a 2001 hearing, making the point that the proposed commuter rail feasibility study also focuses on the corridor, looking at a possible passenger train route adjacent to I-80 over much of the stretch between Lincoln and Omaha, and urging assurance that there would not be duplication in the two studies).

McGuire said the group has met with officials from Lincoln and Omaha, and **Kathleen Sellman**, planning director for Lincoln and Lancaster County, said Lincoln had committed \$10,000 per year to the project. McGuire also said the "overwhelming scope" of the project is not solely the I-80 corridor, but that the Omaha-Lincoln route is "obviously the core of what we're looking at." Sen. Jensen had come before the committee to discuss ways that the LB661 task force could be implemented without the more than \$500,000 consulting fee attached to it. Planners from Omaha, Saunders and Sarpy counties were on hand to pledge support for the study with staff time, but likely not any funds.

Sellman spoke on behalf of the City of Lincoln and said the state should hold off on its study until the Joslyn Institute finished its study two years from now. **Steve Jensen**, assistant planner for the city of Omaha, said the two studies "could complement each other."

Railroad Atlas Revision/Update: ProRail Nebraska member **Merlin Marlowe** of Wilber, who produced and distributed a Railroad route Atlas sometime ago, has offered to update individual copies of the reference brochure for any individual sending the original one to him. He will make the changes and return the updated Atlas at no charge. His address is: P.O. Box 45, Wilber NE 68465.

Changes in members' mailing addresses, e-mails and phone numbers (continuing update of the 2002 membership directory, which will be distributed this spring when renewals are complete):

Printed listings of changes are available to all ProRail Nebraska members; please contact the President or Secretary.

Footnote on upcoming meeting of rail-related interest: (not enough room to mention with other meeting announcements on page 1: The annual meeting of the Union Pacific Historical Society will be held June 26-29 at the Downtown Holiday Inn at Grand Island. Definitely a calendar item!

Twelve railroads operate in Nebraska; can you name all of them?? Freight railroads--Union Pacific Railroad and Burlington Northern Santa Fe Railway. Regional railroads-- Nebraska, Kansas, Colorado Railnet; Dakota, Minnesota and Eastern Railroad; Nebraska Northeastern Railroad and Nebkota Railway. Switching or terminal railroads--Brandon Corporation; Omaha, Lincoln & Beatrice and the Sidney & Lowe Railroad. **Source: Nebraska Department of Roads 2001 Report.**

The Convoluted Prospects for Amtrak

For those in the senior citizen range of ProRail Nebraska members and intercity passenger rail advocates, there comes back in memory an old saying on a popular radio quiz show: "Around and around it goes, and where it stops, nobody knows."

This is descriptive of the rapid developments involving or affecting Amtrak--present and future--resulting from harsh edicts from the Amtrak Reform Council, action or inaction by the U.S. Congress and the lasting effects of September 11. Die-hard supporters of Amtrak and "unloving critics" have waged trench warfare through the editorial columns of the newspapers, broadcast commentaries, trade (railroad-related) magazines and journals, and pronouncements from think-tanks.

It is no small task to ferret out facts from opinion and slanted pronouncements. And space does not permit reproducing in full more than a small sampling of the avalanche of articles and verbage that has poured out over the past 60 days in particular. An overview of excerpts follows on this and the following page: (In reference to legislation pending in Congress, keep in mind that the House and Senate re-convened on January 23, facing a daunting backlog of critical bills in various stages of the process, including the Stimulus Package bill and the High Speed Rail Investment Act).

Congress says "No liquidation plan for Amtrak" - Friends of Amtrak Update - December 20

The Defense Appropriations Bill for 2002 passed by Congress explicitly includes a provision saying **no** federal funds can be spent on a liquidation plan for Amtrak. The liquidation plan was to be drafted by Amtrak itself following a 6-5 vote by the Amtrak Reform Council (ARC) which said that Amtrak would not become self-sufficient by the December 2 deadline this year. The Amtrak Restructuring Act of 1997 gave the railroad five years to become self-sufficient. The Defense appropriations also included \$100 million earmarked for Amtrak for life-safety work in the New York tunnels.

Break-up and Restructuring of Amtrak: New York Times - January 11

Amtrak...should be broken up, with the government taking ownership of the tracks and competing companies taking over some or all of the most popular train routes, a plan unveiled today says.

Competition would be encouraged, long-haul lines (routes of long distance trains, including the California Zephyr) could be put out to bid and Amtrak itself would have to become more accountable under proposals by the Amtrak Reform Council. The Council determined in November that Amtrak lost millions last year and had no chance to wean itself from operating subsidies. (The Washington Times reported that Amtrak lost \$944 million in fiscal year 2000 and \$1.06 billion in fiscal 2001). ARC has until Feb. 7 to prepare a plan for rebuilding Amtrak. A sharply divided Congress will make final decisions about Amtrak's fate.

In November, ARC released nine recommendations for restructuring Amtrak. At its January 11 meeting, it narrowed those proposals to three, all of them based on the business model of spinning off ownership of the tracks, stations and bridges in the Northeast Corridor to take possession away from Amtrak and giving it to the government, leaving Amtrak to run trains, not maintain tracks. (Currently, Amtrak owns the entire Northeast Corridor (Washington, D.C.-Philadelphia- New York-Boston) infrastructure, Union Station in Chicago, about 100 miles of track between Detroit and Chicago and several maintenance shops in Indiana). Elsewhere on its national system, it pays fees to operate its trains on corporate freight-rail tracks. In May, 2001, Amtrak mortgaged the concourses in Penn Station in New York City to raise \$300 million to pay operating expenses through September, 2001. (The mortgage requires payments for the next 16 years)..

Amtrak Reform Council Proposals - Continued

The three proposals are:

- Creating national or regional monopolies.
- Having Amtrak continue to operate Northeast Corridor trains, but opening competition for long-haul trains.
- After a two- to 5-year transition, opening all intercity rail markets to competition, with Amtrak eventually being completely privatized. (Editor's note: caution here...the privatization of the passenger railroad network in Great Britain has been an unmitigated disaster).

Amtrak: The Price of Safety - Newsday - Dec. 31, 2001

Eleven days after terrorists smashed hijacked airplanes into the World Trade Center and the Pentagon, Congress promised \$15 billion to the airlines, including \$3 billion for security. Three months later (at date of article) Amtrak is still waiting for Congress' help. After Sept. 11, the railroad asked for \$3.2 billion for security and safety improvements only, but the Senate adjourned for the holiday recess without voting on the bill; the matter never came before the House.

The proposed funding is contentious: Some view it as a bailout for the perennially struggling railroad. Others argue that the Northeast Corridor will benefit disproportionately. But supporters fear the future attackers could target the railroad at its weakest points--including six aging East River tunnels that converge at Penn Station. If the funding is approved, \$515 million would pay for 150 more Amtrak police, 250 security guards, bomb-sniffing canine units, surveillance equipment and additional fencing around Amtrak facilities. The railroad currently employs 350 police.

Amtrak's route across Montana in Jeopardy - Dec. 21, 2001

Amtrak's uncertain future may put the popular Empire Builder line from Chicago to Seattle in jeopardy and put the state's interest in a southern rail passenger route on hold. **Dave Turner** of the Montana Dept. of Transportation said it wouldn't be the first time the Empire Builder ran into trouble...The recent ARC announcement left state officials pondering the future of the Empire Builder along with Amtrak's next move, which could affect updating the 2000 State Rail Plan. Commenting on the Empire Builder's importance to the rural Hi-Line in the northern part of the State, Turner said "for almost all of that corridor there is no intercity bus service like Greyhound. Other than U.S. Highway 2, there is no alternative travel mode." Montana has been looking at the feasibility of extending rail passenger service between Billings and Missoula. A consultant's study indicates operational costs would require a \$100 per passenger subsidy or \$3.6 million a year.

Amtrak Service in Iowa May be Derailed - Dec. 23, 2001

A wire service reported that the head of the National Association of Railroad Passengers warns that Amtrak's financial troubles could mean the end of at least one of Iowa's two long distance passenger rail routes. "When you look at some of the critics of Amtrak, particularly on the House side, it is hard to sleep real easily," said **Ross Capon**, NARP executive director. **Kevin Johnson**, an Amtrak spokesman in Chicago, said it's hard to predict what Congress and Amtrak will decide. "Certainly one of the options thrown out has been to keep the Northeast Corridor and to blow up everything else," Johnson said. "But Amtrak generally doesn't think that is going to happen. We believe in providing long distance train service, and we know there are a lot of people who can't drive or who prefer not to fly."

Commentary on Uncertain Future of Amtrak - Continued

Rail Travel: A National Need - Excerpt of opinion piece by Henry C. Wulff, president of the Iowa Association of Railroad Passengers, printed in Cedar Rapids, Ia. Gazette

Never has it been so important to retain a national passenger rail system. The events of Sept. 11 showed Americans what happens when air travel ceases. Thousands of Americans were stranded all across the country. Amtrak did what it could to help the situation. It honored airline tickets. It pulled cars and locomotives out of maintenance facilities to increase the number of available seats and berths. For many persons, it was their first train ride.

I must take exception to the Chicago Tribune editorial reprinted in the Gazette. The Tribune called for an end to national rail (passenger) service. It is true that Amtrak received \$25 billion in federal support over 30 years. That averages \$834 million annually. Airports receive \$13 billion annually, or \$15 for every \$1 that rail passenger service receives. In one recent year, Logan Airport in Boston received twice as much federal money as the entire Amtrak system received.

But the need for a national passenger rail system is not limited to times of national emergency. Many of Amtrak's 500 communities have no other intercity public transportation. Some Americans with certain health conditions cannot ride in airplanes, regardless of whether air service is available. For them, the only viable means of public transportation is Amtrak.

A country without a national rail (passenger) system is a country that has eliminated a vital part of its home security and limited the freedom of its citizens to travel.

Amtrak's Woes Spur Look at Rail System Competition - Chicago Tribune, January 17, 2002

A long-dormant proposal to develop a high-speed passenger railroad is beginning to pick up momentum again. The plan is being nudged forward in part by the financial crisis threatening the Amtrak system which faces a major restructuring--possibly even liquidation--later this year. The nation's heightened quest for air travel alternatives in the aftermath of the September 11 terrorist attacks is a factor, too.

The aim is hugely ambitious in the midst of lean times: In the Midwest, it involves combining the resources of Illinois and eight nearby states (including Nebraska); an operating company and the Federal Railroad Administration to run a regional rail network based in Chicago.

Locomotives traveling 100 m.p.h or more would involve double-decker coach and business class cars outfitted with large windows. Wide seats, ample computer hookups, bicycle racks and top-notch food in the dining cars would make a comfortable travel experience between Chicago and destinations including Milwaukee, St. Louis and Detroit. Just as European trains stop at major airports, the vision goes, the system would make O'Hare International Airport a transfer point. Eventually, it would encompass some 3,000 miles of track ranging from Ohio to Nebraska and Minnesota, all at a cost of \$4.1 billion over 10 years.

But what role, if any, Amtrak should play in the network as it develops is open to debate. Critics of the money-losing rail system say Amtrak's poor operating record makes a strong case for allowing private companies to run high-speed rail lines should the plan eventually win funding from Congress.

If, for example, it costs \$5 million a year for Amtrak to operate the California Zephyr, an Amtrak train between Chicago and San Francisco, and a private company says it can do it for \$4 million, then the private company should be allowed to operate it, said **Deirdre O'Sullivan**, Amtrak Reform Council spokeswoman..

Congress has sent mixed signals over the years about the prospects of high-speed rail. But many observers, citing the proposed National High-Speed Rail Investment Act, believe support is finally evolving. The High-Speed Rail Act is a \$12 billion legislative package to fund high-speed rail in about 10 corridors around the nation. The measure has 57 co-sponsors in the Senate and almost 200 in the House. Similar legislation passed the House last year but stalled in the Senate.

Could Freight Railroads Operate Their Own Passenger Trains?

Opinion of E. Hunter Harrison, Canadian National executive vice president and chief operating officer, former President of Illinois Central Railroad - from Railway Age - January 2002 issue

“If railroads were in a position where they could be rewarded on the bottom line for their performance--and all private companies are motivated by the bottom line--we could make it work. If we were operating passenger trains, we would want control to a large degree of the utilization of the assets--locomotives, cars, people. We would be driven to do all of the same things with passenger trains that we are doing with scheduled freight railroading. If there is a compelling public interest that says, ‘This country needs a national passenger rail system and needs to maintain the infrastructure to provide people with the ability to move by rail,’ then there is a compelling argument for some degree of public funding to help railroads provide the service. We need to become creative with financing so that the government is not paying for the service directly, so that there’s bottom-line motivation for the railroads. If there’s any argument in providing railroads tax relief, it could be for providing an essential public service--like running passenger trains.

“All things considered, if there is a public need for passenger service, whether a portion of it is paid for by riders, a portion by the states, a portion by the feds--and you could make a strong argument that there is--let’s realize that the more efficiently it is operated, the better off we’re going to be. The issue has become not unlike what we faced with freight: bad service at high cost, and a lot of frustration. There’s a call from passengers and many public entities to provide service the correct way, and Amtrak can’t do that today.”

In the same issue of Railway Age, editor William C. Vantuono asks the question, “Take Back the Passenger Trains?” and answers it. (Brief excerpt - the entire article worth pondering).

After more than 30 years of surviving one financial crisis after another, hobbling along on a shoestring budget, and being treated like an unwanted stepchild by a Congress that forces it to beg for attention and money, it’s clear that Amtrak as it’s presently structured and managed doesn’t work, and probably never will...The number of remedies being proposed (by the Amtrak Reform Council) has turned into a confusing cacophony that few Congressmen or Senators probably want to hear. They’re certainly tired of hearing that the answer to Amtrak’s problems is throwing more money at it.

Apart from Northeast Corridor, Amtrak lacks pride of ownership--a quintessential element of successful railroading. Amtrak trains are tenants of freight railroad...What incentives do freight railroads have for hosting Amtrak trains? How can they be expected to handle trains that miss their slot by several hours because of, say, mechanical problems they have no means of monitoring or rectifying? It’s a lose-lose situation; the host/tenant relationship is counterproductive.

What else can be done? Here’s a suggestion: What if the financial mechanisms were put in place for America’s freight railroads--which are regarded as the best in the world--to resume operating their own passenger trains, with their own locomotives, cars, crews and support staff? What if they were afforded a stable financial resource to operate them profitably--no begging Congress for direct operating subsidies, but providing something like, say, tax relief to cover costs not covered by farebox and mail and express revenues? What if, on top of that, they were provided a source of capital dollars for capacity- and safety-enhancement projects that would benefit both freight and passenger operations? What if they were afforded the opportunity to operate passenger trains where there’s a clear market for them without government meddling? In short, what if they could operate their own passenger trains with pride, as they see fit, and make money at it?”

Two highly critical articles of Amtrak can be found in: the 12/01 issue of the National Journal, entitled: “Red Ink on the Rails,” and “Scamtrak,” in the Dec. 24, 2001 Weekly Standard.

Reservation form for ProRail Nebraska meeting luncheon at Grand Island February 16
-Please mail to our secretary (address at bottom of form, or e-mail Enick@unlserve.unl.edu)

Yes, I plan to attend the meeting and luncheon _____
(name/s)

Address _____
Street address/box number

City/zipcode _____

Luncheon cost/person - \$7; if paying in advance, make check payable to ProRail Nebraska
Deadline for reservations/cancellations - 48 hours in advance - 5 p.m. Thursday, Feb. 14
Mail form to Eugene Nick, 1960 Prospect St., Lincoln NE 68502-2629

If you plan to attend the Great Plains Chapter, NRHS meeting the evening of Feb. 16 at
Grand Island, please call Roger Clark, phone: (308) 381-0185, or e-mail him at
rogerc@kdsi.net The cost for this meal, also to be served at the Plum Street Station, is \$12
per person.
