

**Testimony of
Knox Ross
To the
SUBCOMMITTEE ON RAILROADS, PIPELINES AND HAZARDOUS MATERIALS
UNITED STATES HOUSE OF REPRESENTATIVES**

**On the Subject of
“Leveraging IIJA: Plans for Expanding Intercity Passenger Rail”**

December 9, 2021

Chairman Defazio, Chairman Payne, Ranking Member Graves, Ranking Member Crawford, and Members of the Committee, thank you for allowing me to speak today. I also want to simply say thank you because we have waited over 50 years for long term funding in support of a robust passenger rail system and now we have it through the Bipartisan Infrastructure Law. This committee and its corresponding Senate Commerce Committee have delivered on the promise and power of passenger rail with an extraordinary investment. I speak for many when I say that I am so pleased to see Amtrak’s mission is now focused on serving the entire nation and that it’s Board of Directors will be more balanced to include perspectives from all those served by Amtrak with a special focus on the value of long distance trains and the quality of the on-board experience. Thank you, again, for all of your hard work and that of your staff.

In addition to being the Chairman of the Southern Rail Commission, the oldest such commission in the country, I am also a Certified Public Accountant, former Mayor, served on Amtrak’s Mayor’s Advisory Council, and have served on regional transportation committees within Mississippi. As I have traveled across this country on Amtrak and met with local leaders and citizens from all walks of life, I have heard a shared vision of how we build our nation’s passenger rail system. Whether in Montana, Florida, Illinois, Washington, Maine, or my native south, there is a national aspiration for well run passenger rail service throughout our country. This includes a hunger for establishing more multi-state commissions like the SRC which you authorized and funded in the infrastructure law. Such commissions provide the long term stability to sustain a vision for passenger rail and ensure its implementation.

The Southern Rail Commission, made up of commissioners from Mississippi, Louisiana, and Alabama, was established by Congress in 1982 and promotes safe and efficient freight and passenger rail service. The SRC has engaged local decision makers, national stakeholders, many of you and your staff, and has been successful in securing resources at the federal, state, and local level to make our goals a reality. Similar to the great work to pass the Bipartisan Infrastructure Law, there has been a bipartisan effort along the Gulf Coast with Democratic and Republican governors, mayors and legislators in support of restoring passenger rail in our region. In addition to the significant financial commitments by our states, local governments have committed nearly

one million dollars for station improvements in accessibility all while recovering from natural and man-made disasters.

We applied for CRISI funding for capital infrastructure needs and were awarded \$33 million by the Trump administration with a local match of \$33 million from our respective states. This funding will construct additional infrastructure within freight right-of-way to re-establish service between New Orleans to Mobile. Likewise, the SRC received \$4.36 million in Restoration and Enhancement funding to provide operational support also matched by our state and local partners. The changes to the R&E grant program passed by Congress in the infrastructure bill provide a longer and more manageable guide path to full operations support than previous law. By extending operational support from three years to six years, the bill allows time to make needed adjustments in scheduling, ticketing costs and marketing to build more robust ridership. Having already leveraged existing opportunities and the ability to take advantage of the much greater flexibility in funding levels by the bipartisan infrastructure law, we are on the cusp of realizing our region's passenger rail dream with service expected to begin in 2022.

In addition to our focus on the Gulf, there is great support to establish passenger rail service from New Orleans to Baton Rouge and Atlanta to Dallas/Fort-Worth by splitting the *Crescent* long distance service at Meridian, MS. To accomplish these things, working with local, state, Amtrak and host railroads, we intend to leverage the capital money provided within the Bipartisan Infrastructure Law from CRISI, Local and Regional Project Assistance Program and the Federal State Partnership for Intercity Passenger Rail Grants, and operating support from the Restoration and Enhancement Grants. The matching funds for operations of multi state commissions provided in the Interstate Rail Commissions Program will allow the SRC to make the necessary investments in engineering, financial analysis, and legal support needed to ensure broad regional transportation solutions.

We know that investment in rail has to address both freight and passenger rail. To this end, we have a 15-year history of endeavoring to work with freights to restore Gulf service. Unfortunately, our experience has been that some freight railroad hosts for passenger rail service set infrastructure requirements far in excess of any justifiable amount or simply say no in an attempt to erode passenger rail support. While existing rail infrastructure could accommodate passenger rail service today, an additional \$66 million in infrastructure investments to improve performance was identified by the Gulf Coast Working Group led by the Federal Railroad Administration during the Obama administration. I have provided the report as a supplement to my testimony. As mentioned earlier, these infrastructure costs were subsequently funded by the Trump administration through CRISI funding and matched by State and local governments. This is in stark contrast to the \$2 billion CSX wanted to improve infrastructure. Congress accepted the administration's cost assessment in report language.

Collectively, we must be good stewards of the public's dollars invested in private freight right-of-way. Taxpayers deserve to know that any public money invested in privately owned

infrastructure is justified through an honest and transparent process. The information sought from CSX and Norfolk Southern are not truly proprietary or confidential as it was explained to me. First, the infrastructure and operations information needed to support operations analysis is of little to no inherent commercial value or characteristics, as information concerning things such as train and carload origins and destinations or the type of freight traffic carried by trains has no relevance to the operations analysis and is explicitly excluded from consideration. Second, the fact is that with enough time and effort, essentially all of the relevant information that goes into operations is capable of being independently collected using tools and technologies commonly employed in transportation planning, including commercially available aerial imagery, video data collection, machine vision, aerial LIDAR surveying, and observation from public vantage points. The relevant information is in no way secret, and thus there is really no potential that its disclosure as part of intercity passenger rail development efforts will itself create a competitive disadvantage. If a host railroad's competitor really wanted these types of information, they are more than capable of collecting it themselves. Thus far the freight railroads have refused to share information with FRA resulting in the current impasse with CSX and Norfolk Southern. This impasse is now being heard by the Surface Transportation Board. At the end of my testimony is suggested bill language to revise 49 USC 103 to address issues like this one. In contrast to our experience with CSX and Norfolk Southern, the SRC is currently working closely with Canadian Pacific on expanded passenger rail services across the region and have found a willing partner.

As I mentioned earlier, I am a CPA so return on investment is important to me. A study conducted by the Trent Lott Center for Economic Development at the University of Southern Mississippi, found that the investments in restoring passenger rail to the Gulf could yield a 15 to 1 return for Mississippi in economic development and job creation. The Rail Passenger Association has created a model based on the work of the Lott Center and can provide the economic impact of passenger rail to local and regional economies across the country and I specifically support the use of these models as we continue to expand our passenger rail.

Distinguished members, this is not about nostalgia for the SRC, this is about the future of a vibrant region in the south. We have seen what passenger rail will do for people across the country and we believe in its promise of what it will do for our home states. Thank you and I look forward to your questions.

[49 U.S. Code § 103](#)

(j) Additional Duties of the Administrator.—The Administrator shall—

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(7)

(l) Require that Federal-funded intercity passenger rail investments in assets owned and/or controlled by a host railroad be identified and justified on the basis of a transparent, collaborative operations analysis with the participation of the project sponsor, the host railroad, Amtrak, and FRA, conducted in accordance with standards FRA is hereby directed to establish;

(II) The Administrator shall review operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations and provide findings and recommendations.

(III) In order to carry out subsection (II), the rail service provider and the host railroads shall provide all relevant infrastructure and operations information requested by the Administrator to support analysis by the FRA.

(IV) Infrastructure and operations analysis, and the outputs of the operations analysis provided by the host railroad shall not be considered confidential in nature and may be incorporated into environmental documents, funding applications, public reports, and other publicly-available documents.

(V) Failure to provide information requested by the Administrator in furtherance with this subsection shall be enforced through section 24308.