

**Testimony on the  
Benefits of Intercity Passenger Rail**

before the  
Subcommittee on Railroads, Pipelines  
and  
Hazardous Materials  
of the  
House Committee on Transportation and Infrastructure

By  
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Tuesday, June 26, 2007

STATEMENT OF WILL KEMPTON  
DIRECTOR,  
CALIFORNIA DEPARTMENT OF TRANSPORTATION  
(DEPARTMENT)  
BEFORE THE  
HOUSE TRANSPORTATION AND INFRASTRUCTURE  
COMMITTEE, SUBCOMMITTEE ON RAILROADS,  
PIPELINES AND HAZARDOUS MATERIALS

JUNE 26, 2007

CHAIRMAN BROWN, RANKING MEMBER SHUSTER  
AND DISTINGUISHED MEMBERS OF THE  
COMMITTEE;

MY NAME IS WILL KEMPTON AND I AM THE  
DIRECTOR OF THE CALIFORNIA DEPARTMENT OF  
TRANSPORTATION, ALSO KNOWN AS CALTRANS. I  
WOULD LIKE TO THANK YOU FOR THE INVITATION  
TO TESTIFY BEFORE YOU TODAY ON THE BENEFITS  
OF INTERCITY RAIL.

AS THE DIRECTOR OF CALTRANS, I OVERSEE A  
DEPARTMENT WITH MORE THAN 22,000

EMPLOYEES, A 12 BILLION DOLLAR BUDGET, AND A STATE HIGHWAY SYSTEM OF MORE THAN 50 THOUSAND LANE MILES. CALIFORNIA IS ALSO HOME TO 2 OF THE COUNTRY'S 5 LARGEST TRANSIT SYSTEMS, THE NATION'S 5th BUSIEST COMMERCIAL AIRPORT, AND TWO OF THE NATION'S BUSIEST PORTS. MOST OF THESE STATISTICS ABOUT CALIFORNIA'S TRANSPORTATION SYSTEM ARE PRETTY WELL KNOWN.

A TRANSPORTATION STATISTIC, HOWEVER, THAT DOES NOT SEEM AS WELL KNOWN IS THAT CALIFORNIA IS ALSO HOME TO THE COUNTRY'S 2nd 3rd, AND 5th BUSIEST INTERCITY PASSENGER RAIL CORRIDORS.

CALIFORNIA'S INTERCITY PASSENGER RAIL PROGRAM DATES BACK TO 1976 WHEN THE STATE AGREED TO PROVIDE FINANCIAL SUPPORT FOR AN ADDITIONAL ROUND TRIP OF AMTRAK'S "SAN DIEGAN" SERVICE. SINCE THAT SMALL STEP 30 YEARS AGO, THE STATE HAS DEVELOPED AN

EXTENSIVE INTERCITY RAIL AND FEEDER BUS NETWORK THAT CONNECTS COMMUNITIES IN ALL CORNERS OF THE STATE. LAST YEAR, MORE THAN 5 MILLION PASSENGERS RODE CALIFORNIA'S INTERCITY RAIL NETWORK MAKING THE STATE SECOND ONLY TO NEW YORK IN TERMS OF TOTAL AMTRAK RIDERSHIP. ONE-FIFTH OF ALL AMTRAK RIDERS NOW COME FROM CALIFORNIA'S 3 CORRIDORS:

- THE PACIFIC SURFLINER CORRIDOR PARALLELING CALIFORNIA'S COAST FROM SAN DIEGO THROUGH LOS ANGELES AND NORTH TO SANTA BARBARA AND SAN LUIS OBISPO IS THE NATION'S SECOND BUSIEST INTERCITY RAIL CORRIDOR SERVING APPROXIMATELY 2.7 MILLION PASSENGERS ANNUALLY. ONLY THE NORTHEAST CORRIDOR IS BUSIER.
- THE CAPITOL CORRIDOR CONNECTS AUBURN THROUGH SACRAMENTO AND OAKLAND TO SAN JOSE. AT 1.5 MILLION RIDERS, THIS ROUTE IS

AMTRAK'S THIRD BUSIEST AND ITS FASTEST GROWING. WITH 16 ROUND TRIPS BETWEEN SACRAMENTO AND OAKLAND, THE CAPITOL CORRIDOR HAS THE SAME LEVEL OF FREQUENCY AS THE NEW YORK-BOSTON SEGMENT OF THE NORTHEAST CORRIDOR.

- THE SAN JOAQUIN CORRIDOR CONNECTS THE BAY AREA AND SACRAMENTO WITH THE CITIES OF CALIFORNIA'S CENTRAL VALLEY. IT IS AMTRAK'S FIFTH BUSIEST CORRIDOR SERVING 800,000 PASSENGERS ANNUALLY. THE SAN JOAQUIN ROUTE IS UNIQUE BECAUSE ITS EXTENSIVE FEEDER BUS NETWORK CONNECTS THE TRAIN WITH ALL PARTS OF THE STATE, AND OREGON AND NEVADA, AS WELL.

TOGETHER, THESE 3 ROUTES REDUCED CONGESTION ON THE HIGHWAY SYSTEM BY MORE THAN ONE-HALF BILLION PASSENGER MILES OF TRAVEL.

CALIFORNIA IS ALSO LOOKING AT EXPANDING ITS INTERCITY RAIL NETWORK BY INITIATING SERVICE ALONG THE COAST BETWEEN LOS ANGELES AND THE SAN FRANCISCO BAY AREA, AND EXTENDING OUT TO THE NORTH STATE AND RENO, AND PALM SPRINGS AND THE COACHELLA VALLEY.

IN ADDITION TO HELPING ALLEVIATE HIGHWAY CONGESTION, INTERCITY PASSENGER RAIL PROVIDES ENERGY AND ENVIRONMENTAL BENEFITS.

THE PRESIDENT HAS CALLED FOR A 20 PERCENT REDUCTION IN FUEL CONSUMPTION OVER THE NEXT 5 YEARS. A STRATEGY TO MOVE TOWARDS THAT GOAL ALREADY EXISTS AND IT REQUIRES NEITHER NEW TECHNOLOGIES NOR ALTERNATIVE SOURCES OF ENERGY. INTERCITY PASSENGER RAIL USES NEARLY 20 PERCENT LESS ENERGY ON A PER PASSENGER MILE BASIS THAN AIR TRAVEL AND 15 PERCENT LESS THAN AUTOMOBILES.

IN THE UNITED STATES, MORE THAN 70 PERCENT OF EMISSIONS THAT CONTRIBUTE TO GLOBAL WARMING COME FROM THE TRANSPORTATION SECTOR. INFLUENCING TRAVEL PATTERNS IS ONE OF THE MOST EFFECTIVE WAYS TO INFLUENCE HUMAN ACTIVITY ON CLIMATE CHANGE. HAVING AN EFFECTIVE INTERCITY PASSENGER RAIL NETWORK CAN IMPACT TRAVEL PATTERNS TO REDUCE EMISSIONS.

THE SUPPORT OF CALIFORNIA'S LEGISLATURE AND STATE ADMINISTRATIONS, BOTH DEMOCRATIC AND REPUBLICAN, CONTRIBUTED SIGNIFICANTLY TO THE STATE'S SUCCESSFUL INTERCITY RAIL PROGRAM. AS CRITICAL AS THEIR SUPPORT HAS BEEN, THE MOST IMPORTANT CONTRIBUTION HAS BEEN THE WILLINGNESS OF THE STATE'S VOTERS AND PUBLIC OFFICIALS TO INVEST BOTH OPERATING AND CAPITAL DOLLARS. SINCE 1976, NEARLY 1.8 BILLION STATE DOLLARS HAVE BEEN INVESTED TO BUILD THE SYSTEM—HALF OF THAT SINCE 1990 ALONE. IN ADDITION, ANOTHER 850 MILLION

DOLLARS HAVE ALSO BEEN SPENT SINCE 1976 FOR OPERATING SUPPORT. CALIFORNIA IS POISED TO INVEST AT LEAST ANOTHER 400 MILLION DOLLARS AS PART OF GOVERNOR ARNOLD SCHWARZENEGGER'S STRATEGIC GROWTH PLAN AND THE NEARLY 20 BILLION DOLLAR TRANSPORTATION BOND MEASURE PASSED IN NOVEMBER 2006.

ALTHOUGH THESE FUNDS PRIMARILY BENEFIT PASSENGER RAIL, MANY OF THE INVESTMENTS HAVE ALSO BENEFITED THE CLASS ONE RAILROADS OPERATING IN CALIFORNIA WHICH IS VITAL TO BOTH THE STATE'S AND THE NATION'S ECONOMY. IMPROVING THE EFFICIENCY AND INCREASING THE CAPACITY OF THEIR INFRASTRUCTURE, IT HAS ENHANCED THE ABILITY OF THE RAILROADS TO MOVE GOODS TO MARKET AND HAS ALSO HELPED TO REDUCE CONGESTION AND IMPROVE AIR QUALITY BY REMOVING TRUCKS FROM THE HIGHWAYS.

ALTHOUGH CALIFORNIA HAS MADE SIGNIFICANT INVESTMENTS IN ITS INTERCITY PASSENGER RAIL SYSTEM, IT AND OTHER STATES CANNOT CONTINUE TO DO IT ALONE. IF WE ARE SERIOUS ABOUT REDUCING OUR DEPENDENCE ON FOREIGN ENERGY SUPPLIES, ENHANCING THE ENVIRONMENT, IMPROVING THE MOBILITY OF OUR CITIZENS AND STRENGTHENING OUR ECONOMY, A STRONG FEDERAL PARTNER IS NEEDED.

WE THINK THE ACTION OF THE APPROPRIATIONS COMMITTEE PROPOSING 50 MILLION DOLLARS FOR STATE MATCHING GRANTS IN THE AMTRAK BUDGET IS A POSITIVE FIRST STEP. THE NEEDS FOR FUNDING, HOWEVER, IS SIGNIFICANTLY GREATER. IN 2002, AASHTO IDENTIFIED A NEED OF NEARLY 17 BILLION DOLLARS FOR THE NEXT 6 YEARS ALONE—ESSENTIALLY 3 BILLION PER YEAR.

IN CALIFORNIA, THERE IS A BACKLOG OF PROJECTS IN EXCESS OF 600 MILLION DOLLARS. THESE ARE

PROJECTS WHICH COULD BE READY FOR  
ADVERTISING WITHIN 18 MONTHS.

THIS COMMITTEE IS A UNIQUE POSITION TO CHART  
THE COURSE OF THAT PARTNERSHIP. AS YOU LOOK  
AT THE MYRIAD OF ISSUES AFFECTING THE FUTURE  
OF INTERCITY PASSENGER RAIL IN THE UNITED  
STATES, THE CALIFORNIA DEPARTMENT OF  
TRANSPORTATION ENCOURAGES THE COMMITTEE  
TO GIVE CONSIDERATION TO THE FOLLOWING:

**ESTABLISH A CAPITAL MATCHING PROGRAM:**

- CREATE A MULTI-YEAR FEDERAL CAPITAL  
MATCHING GRANT PROGRAM TO ENCOURAGE  
STATES TO INVEST IN INTERCITY PASSENGER  
RAIL. THE FEDERAL/STATE RATIO SHOULD BE  
CONSISTENT WITH OTHER TRANSPORTATION  
CAPITAL GRANT PROGRAMS.
- THIS NEW GRANT PROGRAM SHOULD NOT COME  
AT THE EXPENSE OF OTHER PROGRAMS AND

SHOULD BE DEDICATED, STABLE, AND LARGE ENOUGH TO ENCOURAGE STATE INVESTMENT.

- BALANCE CAPITAL GRANT FUNDING BETWEEN REGIONS.
- COUNT PREVIOUS STATE INVESTMENTS MADE WITHIN THE LAST TWO TO FIVE YEARS AS PART OF THE STATE'S MATCH FOR FUTURE CAPITAL FUNDS.
- ESTABLISH A FEDERAL PROGRAM OF INVESTMENT IN JOINT USE (PASSENGER AND FREIGHT) CORRIDORS TO ENHANCE GOODS MOVEMENT OPPORTUNITIES AND LEVERAGE STATE PROGRAMS.
- DO NOT IMPOSE UNREASONABLE PLANNING REQUIREMENTS ON THE PROCESS FOR APPLYING FOR GRANTS

## **ORGANIZATION AND OPERATING**

### **RECOMMENDATIONS:**

- STABILIZE AMTRAK BOTH FINANCIALLY AND ORGANIZATIONALLY TO ALLOW STATES TO MORE EFFECTIVELY PLAN AND BUDGET FOR SERVICES.
- DO NOT SHIFT COSTS FROM AMTRAK TO THE STATES WITHOUT A FUNDED FEDERAL/STATE MATCHING PROGRAM.
- TREAT STATES EQUITABLY WHEN ESTABLISHING THE LEVEL OF STATE CONTRIBUTION TO AMTRAK OPERATING COSTS.
- ALLOW STATES TO CONTRACT WITH THE PRIVATE SECTOR FOR ACTIVITIES CURRENTLY PERFORMED BY AMTRAK.

FINALLY:

AND, THIS MAY BE THE THORNIEST ISSUE  
CONFRONTING THE COMMITTEE--

"INCENTIVIZE" RELIABLE, ON-TIME PERFORMANCE  
FOR PASSENGER RAIL SERVICES OPERATING OVER  
THE CLASS I RAILROADS BY REQUIRING THAT  
PUBLIC DOLLARS INVESTED IN CAPACITY OF THE  
PRIVATE RAILROADS, BE PRESERVED FOR THE  
PUBLIC'S BENEFIT.

CLOSING:

THAT CONCLUDES MY PREPARED REMARKS, I'LL BE  
HAPPY TO TAKE ANY QUESTIONS.