

Presentation to Rail Energy Transportation Advisory Board

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History of Stimulus Legislation (a.k.a. Economic Recovery Bill)

- H.R. 1 introduced in House -- January 28, 2009
- Passed in House: 244-188 -- February 10, 2009
- Passed in Senate: 61-37 – February 12, 2009
- Conference report (H. Rpt. 111-16) agreed to in House: 246–183 – February 13, 2009
- Conference report agreed to in Senate: 60-38 – February 13, 2009
- Signed by President as P.L. 111-05 – February 17, 2009

Key Infrastructure Provisions

Spending for infrastructure projects totaling about \$140 billion, including money:

- to promote broadband access;
- to modernize the electric grid; and
- for transportation projects.

Transportation Infrastructure

- Total of \$64.1 billion in federal transportation infrastructure investment
- \$27.5 billion in highway formula funds
 - Including eligibility for freight projects
- \$8 billion for HSR/intercity passenger rail
- \$1.5 billion for mega project grants
 - CREATE project in Chicago

Economic Goal

Sponsors project that \$64.1 billion in federal transportation infrastructure funding will create or sustain 1.8 million jobs and \$323 billion of economic activity

Highway Formula Funds

- \$27.5 billion for highway infrastructure investment projects and activities administered by the Federal Highway Administration
- Eligible projects include highways, bridges, freight rail, passenger rail and ports

High Speed Rail and Intercity Rail

- \$8 billion for capital assistance for HSR/intercity passenger rail grants administered by the Federal Railroad Administration
- Administration has promised \$5 billion more over next five years
- \$1.3 billion for capital grants to Amtrak

Mega Project Grants

- \$1.5 billion to the Secretary of Transportation to make competitive discretionary grants to surface transportation projects that will have a significant impact on the Nation, a metropolitan area or a region
- Guidance and criteria finalized May 2009
- Maximum amount per project \$300 million

Key Dates -- 2009

- HSR/passenger rail interim guidelines and selection process due (June 2009)
- State DOT's must obligate 50% of their formula funds (June 2009)
- Deadline for mega project grant applications (August 2009)

Key Dates -- 2010

- U.S. DOT must complete selection of all mega projects (February 2010)
- State DOT's must obligate 100% of their formula funds (March 2010)

Key Dates – 2011 and 2012

- All mega project funds must be obligated (September 2011)
- All HSR/passenger rail funds must be obligated (September 2012)

Overview: Stimulus Funds for Rail (through May 2009)

- Approximately one percent of formula funds
- Three states taking the lead --
 - Ohio utilizing some \$150 million (of \$936 million) for freight rail
 - Virginia utilizing some \$61.7 million (of \$694 million) for freight rail
 - Oregon utilizing some \$16.5 million (of \$334 million) for freight rail

Concluding Observations

- Discretionary mega project funding will likely benefit freight rail
- Formula funding offers an opportunity to states to utilize “highway” funds for rail
- HSR funding gives passenger interests the ability to bring cash to the negotiating table to expand rail capacity