

Passenger rail could soften the impact of higher gas prices

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About a decade ago, some in Congress proposed levying a 50-cent per gallon increase in the federal tax on gasoline at the pump. Proponents reasoned that a tax increase would influence Americans to consume less gasoline by driving less, reduce our nation's dependence on foreign oil and reduce air pollution from automotive emissions. They pointed out that revenues from the increased tax could be directed toward funding alternative modes of transportation, such as mass transit and passenger rail, thus creating further mobility and environmental benefits.

Critics blasted the proposal as a potentially unfair burden on the American motorist, as well as being harmful to business and the overall U.S. economy. By gosh, they said, such a tax increase would drive gasoline above \$2 a gallon! As the pundits love to say, the idea was "dead on arrival" and never even made it into formal legislation.

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Fast-forward to today. Market forces, not taxes, are driving gasoline prices up over \$2-per gallon. We are paying more than 50 cents more per gallon than we were a year ago. And is the money going to upgrade passenger or freight rail, public transit or anything else that would reduce our nation's dependence on foreign oil or improve our economy by increasing our mobility? No, it is not.

But aside from causing a pain in our personal budgets, the so-called "free market" is also exposing our transportation systems as unprepared to deal with the consequences of a long-term increase in gasoline prices. Although we are beset with steadily increasing congestion on our highways and airways, we allow our rail infrastructure to atrophy at a time when we most need it as an economical and fuel-efficient alternative.

Certainly, motorists are not happy. But where can they turn if gasoline prices force them to drive less and seek another mode? Business needs to ship raw materials or finished products, but doing so on increasingly crowded highways or by air is less and less cost-effective. Both are looking at rail as an alternative, but rail is underfunded, underdeveloped and unable to provide the desired level of service.

Amtrak was experiencing an upward trend even before gas prices took a leap. It carried a record 24 million intercity riders in 2003 and expects those numbers to rise by at least one million this year.

But intercity passenger rail in the United States still struggles along with minimal federal funding, despite these recent ridership gains. Compared to how the United States funds highways and commercial aviation, rail stands like a beggar with a tin cup. This funding inequity has an impact not only on the much-needed development of passenger rail, but also on the equally necessary redevelopment and expansion of our nation's freight rail infrastructure. Both are vital to our nation's overall economic health.

The Association of American Railroads reports car-loadings of freight moving by rail are steadily increasing. But the capacity of the rail system is being stretched even as the railroads themselves have little or no capital funds to add new rail lines. At least one major railroad, Union Pacific, recently canceled a United Parcel Service contract for cross-country express trains. UPS is a major customer for Union Pacific, but the railroad says the trains were draining resources from

the remainder of its system. That's ironic, given that UP's former corporate slogan was "We Can Handle It."

It is frustrating to see this level of need and not have enough dollars to meet it. We are seeing opportunities to improve our economy and mobility pass by for a lack of adequate and dedicated funding for Ohio's and the nation's rail infrastructure.

But the increase in gasoline prices may force the issue to the front burner. Already there are several bills before Congress that aim to address the rail funding and development inequity. And many states are recognizing that funding highways, while still important and needed, is not enough and leaves us with functionally unbalanced and gridlocked transportation systems at the state and federal level. Even the historically highway-oriented American Association of Highway & Transportation Officials has issued a report calling for increased spending on rail, mass transit and other modes.

We in Ohio are participating with other Midwestern states in planning a system of short-haul, high-speed passenger rail routes, as well as planning for more efficient and faster movement of freight. Already, we are taking significant steps toward that end: better signal systems, elimination or upgrading of railroad crossings, track rehabilitation assistance for short line and major rail carriers and shippers. All of these steps will serve to provide a ready foundation for passenger rail when the time comes.

But all of this requires a major federal commitment to the states in terms of transportation funding and a change in how we distribute those funds at the federal level. We hope the public, especially those cringing at the thought of even higher gas prices, begins demanding action from Congress and the administration to invest in our rail infrastructure.

We recognize there are many market forces affecting the price of oil and gasoline. It's reasonable to assume in the long run that those prices will continue to increase. Given that rail is the most fuel-efficient way to move both people and freight, it becomes all the more urgent for Ohio and the nation to ensure our rail systems will grow.

Seney is executive director of the Ohio Rail Development Commission.

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