

**Floor Statement of  
The Honorable James L. Oberstar  
H.R. 6003, The Passenger Rail Investment  
and Improvement Act of 2008  
June 11, 2008**

Mr. Chairman, it has been more than a decade since this body has considered legislation to reauthorize Amtrak, and six years since Amtrak's authorization expired. I am extremely pleased to bring to the Floor, H.R. 6003, the "Passenger Rail Investment and Improvement Act of 2008", a bipartisan bill to rebuild Amtrak and construct high-speed rail on high-density corridors across the nation.

Today, we are witnessing a transformative moment in our nation's transportation system. Last week, the national average price of a gallon of gasoline reached \$4.00 for the first time in our history. According to the American Automobile Association, gas prices have risen more than 10 percent in the past month and almost \$1.00 in the past year (\$3.11).

These higher gas prices are having reverberations across the nation, and especially in the transportation sector, affecting entire industries as well as our traveling and purchasing habits. Since December 2007, eight U.S. airlines have shut down and one has filed for bankruptcy due in large part to rising fuel costs. Fuel expenses now represent approximately 40 percent of the aviation industry expense following the more than 100 percent rise in jet fuel prices in the past year. Now, even a small rise in gas prices can wipe out an entire year's profit for an airline, leading to cuts in service to many parts of the country. This may result in less competition, less service, less mobility, and higher prices for Americans.

High gas prices do not affect just aviation. The Department of Transportation recently reported that the number of vehicle miles traveled in March 2008 fell 4.3 percent versus the previous year. This is the first time that travel on public roads fell in nearly 30 years. It appears that high gas prices are compelling Americans to cut back where they can, further limiting people's mobility.

In addition, the rise in fuel prices has made transportation costs the second-highest household expense, which is pricing more families out of the American dream. A 2006 Center for Housing Policy report indicated that working families in large metropolitan areas spend nearly one-third of their incomes on transportation. This is preventing many families from saving, buying homes, or investing in their children's educations.

While high gas prices may be shifting traveling patterns and reducing traveling options, we are also experiencing crippling levels of congestion. For example, 2007 marked the second worst year on record for flight delays (nearly 27 percent). The Department of Transportation Inspector General found that, of these delays, 88,234 flights were delayed over an hour, 7,659 flights had ground delays of two to three hours, and almost 1,700 flights had ground delays of more than three hours. The statistics are no better for our highways. Americans spent 4.2 billion hours stuck in traffic and wasted 2.9 billions of gasoline in 2007. The Texas Transportation Institute's Urban Mobility Report stated that highway congestion drained \$78 billion from our economy in 2005. These trends will only continue as our population and our economy grows, putting new traffic and passengers on our already overburdened roads and skies.

Given this energy and congestion crisis, Americans need transportation solutions that are affordable, accessible, and environmentally sustainable – and that is what Amtrak and high-speed rail can offer. One full passenger train can take 250 to 350 cars off the road. According to Amtrak, intercity passenger rail removes eight million cars from the road and eliminates the need for 50,000 fully-loaded passenger airplanes each year. Intercity passenger rail is competitive with air travel for trips of 500 miles or less. Amtrak demonstrates this every day in the Northeast Corridor, where it controls 56 percent of the air/rail market between Washington, DC, and New York City.

Unlocking the potential of Amtrak by ending its starvation diet and constructing high-speed rail corridors will help make passenger rail a viable transportation solution to highway and air congestion. H.R. 6003, the “Passenger Rail Investment and Improvement Act”, which I introduced together with Ranking Member Mica, Subcommittee Chairwoman Brown, Ranking Member Shuster, and more than 30 other Members of the Committee on Transportation and Infrastructure, lays the groundwork to restore passenger rail in America.

The bill authorizes \$14.9 billion to rebuild Amtrak and construct high-speed rail in corridors across the nation. The bill:

- provides \$4.2 billion to Amtrak for capital grants and \$3.0 billion for operating grants. This funding will help Amtrak bring the Northeast Corridor to a state-of-good-repair, procure new rolling stock, rehabilitate existing bridges, as well as make additional capital improvements and maintenance over its entire network. In addition, the operating grants will help Amtrak pay fuel costs and train maintenance and operations.
- provides \$2.5 billion in grants to States to help pay for the capital costs for new or improved intercity passenger rail service, and \$1.75 billion for States and Amtrak to construct high-speed rail corridors. Over the past ten years, ridership on Amtrak routes that benefited from state support grew 73 percent. The U.S. Department of Transportation reports that the greatest single impediment to encouraging state support is the lack of a Federal-State partnership – similar to what exists for highways and transit – for investing in capital needs of intercity passenger rail. This legislation establishes that partnership.

In 1970, Congress created Amtrak to relieve private railroads of their legal obligation to operate money-losing intercity passenger rail service and to preserve and reinvigorate intercity passenger rail service throughout the country. Last month, we celebrated the 27th anniversary of Amtrak service in this country. Regrettably, in that time, Congress has never willing to provide the resources necessary to make passenger rail a transportation solution throughout America.

Today, after a decade of inaction, we stand together to rebuild Amtrak and provide the necessary resources to construct a network of high-speed rail corridors across America. We are on the cusp of an intercity passenger rail renaissance in this country and I urge my colleagues to join us in supporting this critical legislation.