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THE MIDWEST RAIL PLAN IS “A DISASTER IN THE MAKING”

The plan by Midwestern states to squander up to \$12 billion of federal funds on a “Midwest Regional Rail Plan” is a disaster in the making, according to Randal O’Toole, Cato Institute senior fellow specializing in land-use and transportation issues.

The plan calls for a Chicago hub with spokes radiating to Detroit, Pittsburgh, Columbus (via either Fort Wayne or Indianapolis), Cincinnati, Nashville, Kansas City (via St. Louis), Omaha, and the Twin Cities, and, writes O’Toole, calls for building dedicated lines only in the countryside between Chicago and Detroit, Chicago and Ft. Wayne, Chicago and Nashville, Chicago and St. Louis, and Chicago and St. Paul.

The trains would use tracks shared with freight trains in the cities and in outlying areas such as St. Louis-Kansas City, Indianapolis-Cincinnati.

The plan projects that it will carry 17 million to 33 million riders a year. Projected fares of \$1.5 billion to \$1.9 billion a year would “nearly” cover operating costs.

“Both of these claims are highly optimistic,” states O’Toole, adding that the Northeast Corridor is more amenable to passenger train ridership than the Midwest. Yet, in 2019, Amtrak trains in the Northeast Corridor carried just 12.5 million riders.

Another problem is that in addition to ridership projections that are too high, the Midwest Plan’s projections of operating costs are too low.

The model is defective, writes O’Toole. “A major flaw in the Midwest Rail Plan is its hub-and-spoke model. That works fine in the Northeast Corridor where there are just two spokes going in opposite directions, but with six spokes going in all directions it leaves out a lot of potential trips.”

Furthermore, even if Midwest rails are built to 150- or 180-mile-per-hour standards, trains would rarely be time-competitive with air travel. “The plan’s proposed use of shared rails in major urban areas would mean that trains could only go 20 to 30 miles per hour in those sections, greatly adding to total travel times.”

A caption of an Amtrak's publicity photo is "Passengers enjoy the scenery between St. Louis and Chicago." But, comments O'Toole, "Passengers are also enjoying the many empty seats: Amtrak's 2019 performance report says that its Midwest trains normally fill only 38 to 59 percent of their seats."

There are other problems. The plan requires that the states acquire 1,500 miles of right-of-way. Landowners resist right-of-way sales to high-speed rail projects.

Finally, "There is also the sheer cost of the project," writes O'Toole. "The \$12 billion in the infrastructure bill will be spread across the country, and if the Midwest gets the same share as it did the Obama funds, it will only get about \$3 billion of it. That will barely pay for the feasibility studies required to build a \$116 billion to \$162 billion project."

Concludes O'Toole, "The Midwest Rail Plan is another disaster waiting to happen. Taxpayers can only hope that very little of it gets funded because it is all likely to be wasted."

Source: Antiplanner Policy Brief Number 127, November 23, 2021, *The Midwest Rail Plan: A Disaster in the Making*.