

**Federal Railroad Administrator Joseph C. Szabo
American Public Transportation Association (APTA)
38th Annual Legislative Conference
Washington, D.C.
March 11, 2013**

Good afternoon, everyone.

On behalf of President Obama and Secretary LaHood, it's an honor join you along with FTA Administrator Peter Rogoff.

World-leading economies do not develop by accident, nor do they evolve by resting on one's laurels. World-class economies rely on world-class transportation – they are fundamentally linked.

So in order to remain the leading global economy it is absolute that we must advance our transportation system.

And the key words are “transportation system”—each mode working in unison with the others to ensure the efficient movement of people and goods.

Four years ago, President Obama laid out a bold vision for rail in America.

And during these four years, the effects of record-level private and federal investments in our rail network have been nothing short of game-changing.

2012 was one of the greatest years for rail in generations.

It was the safest year in railroad history.

Amtrak achieved record on-time performance – and set an all-time ridership record. Rail continued to be the fastest-growing mode of public transit. And we saw intermodal freight traffic surge above 12 million units, very close to an industry record.

With a vote of the California General Assembly, the stage is set for world-class, 220 MPH passenger rail service to break ground this summer.

In the Midwest, 110 MPH service – the fastest trains outside the Northeast Corridor – was introduced on the Chicago-St. Louis and Chicago-Detroit routes.

Over the next couple years, the majority of both lines will run at these sustained speeds with improved reliability, cutting trip times by close to an hour. And the service will include a new fleet of next-generation, high-performance equipment – certified to go 125mph – that will be manufactured in America.

In order to bring world-class service to one of the world's most densely populated rail markets – the Northeast Corridor – we launched the first comprehensive planning effort since the Carter Administration.

And we successfully obligated 100% of our Recovery-Act funded High-Speed and Intercity Passenger Rail program funding well in advance of the September 30th deadline.

Of the 11 construction projects completed last year, Maine's rail extension project alone – in addition to generating millions of dollars in new commercial and residential development around Brunswick's new train station – created and sustained jobs at 53 companies in 20 states.

Yet all of this is simply a warm-up.

The \$19 billion this Administration has invested in rail since 2009 is building, improving, or creating 6,000 corridor miles, 40 stations, 75 planning studies, and 30 state rail plans or service development plans.

And with our High-Speed and Intercity Passenger Rail program – through which we've been able to partner with 32 states and invest in 152 rail projects – the next two years will be our busiest construction years yet.

52 construction projects in 19 states worth \$3.6 billion in funding are either complete, under construction, or set to begin.

In the Pacific Northwest, 21 projects are moving forward that will increase roundtrips and cut trip times in a growing rail market connecting Portland and Seattle.

North Carolina has already finished three station projects – on time and on budget – and is moving forward now with a series of construction projects along the Charlotte-Raleigh corridor that will improve speeds, safety, frequency, and reliability for passenger and freight trains.

And it's part of a larger vision for a Southeast rail network connecting into the Northeast Corridor.

By the end of this year, North Carolina and Virginia will finish a planning effort to cut 90 minutes off today's trip time between Raleigh and D.C. – and additional planning efforts are moving forward in Georgia and Texas.

In the Northeast, our planning effort –NEC FUTURE – is one of the largest multi-state transportation projects ever undertaken in the United States.

The end result will be a clear vision for how to optimize the Northeast Corridor – and a 30-year rail investment plan to guide future investments.

But in addition to planning, this Administration has invested more than \$3 billion – more than any previous Administration – in Northeast Corridor development projects.

These investments are devoted to station and track upgrades, modernizing power systems, replacing aging infrastructure, buying new equipment – and overall, for improvements to speed, frequency, and reliability.

These investments are allowing for faster train speeds between Philadelphia and New York – and for the untangling of delay-causing bottlenecks at Harold Interlocking in Queens, and in Delaware and Rhode Island.

Stations are being enhanced in Boston, Washington, D.C., at BWI airport, and in New York, where the Moynihan Station project will expand Penn Station.

And major engineering projects are moving forward – including the replacement of New Jersey’s Portal Bridge, Baltimore’s B&P Tunnel, and the Susquehanna Bridge in northern Maryland.

We’ve also made unprecedented investments in vital NEC feeder routes – including in two projects that have already come in on time and on budget.

Last year, Maine finished extending the Boston-to-Portland Amtrak line to Brunswick and Freeport – restoring service there for the first time since 1959. And in Vermont, 190 miles of track upgrades have sped up freight and passenger service.

But the time savings won’t end in Vermont. A project in Massachusetts – on that same corridor – is improving track and creating a more direct route.

And in Connecticut – by 2016 – the segment between New Haven and Hartford will be completely double-tracked.

So combined, the result will be a time savings of close to 70 minutes between Vermont and New Haven.

Now, the benefits of the projects we’ve invested in stand alone.

They’re already advancing American transportation.

But, like the U.S. Chamber of Commerce, the U.S. Conference of Mayors, the American Road and Transportation Builders, and the American Society of Civil Engineers – just to name a few – President Obama recognizes that it’s not enough.

As the President said in the State of the Union, “*Ask any CEO where they’d rather locate and hire: a country with deteriorating roads and bridges, or one with high-speed rail ...*”

And he proposed two programs – the Rebuild America Partnership and the “Fix it First” program – that will not only put Americans to work improving infrastructure, but also building new infrastructure.

While this will create even more high-quality construction and manufacturing jobs, most importantly, it will help tackle pivotal growth and mobility challenges.

The Rebuild America Partnership calls for leveraging private sector investment to create jobs upgrading infrastructure most critical to our businesses, including transportation – while “Fix it First” targets our most urgent infrastructure repairs.

Additionally, the President continues to call for the creation of a bipartisan National Infrastructure Bank and for long-term rail funding.

While sensible steps must absolutely be taken to balance our deficit, a modern transportation network – including rail – is not a luxury, it’s an absolute necessity.

Today we’re looking at challenges like how to move 100 million additional people and 4 billion more tons of freight over the next three decades.

All while our highways and airports are stretched close to their limits – and the cost of over-reliance continues to grow.

According to last month’s Texas Transportation Institute Report, the annual cost of highway congestion alone now costs our economy over \$120 billion a year, a cost of \$800 annually to each commuter.

Close to three billion gallons of fuel – enough fuel to fill the New Orleans Superdome four times – is wasted annually.

And for the first time, the Institute also measured travel reliability.

Underscoring the need to provide more transportation alternatives, the study found that increasing amounts of time must be set aside to ensure on-time arrival for high-priority freeway trips.

Our airports – as well – are struggling to keep up with modern demand.

Around 20 percent of all flights are delayed.

And as a way of confronting high fuel prices and changing demand, airlines are now making significant cutbacks to short-haul flights to small and medium-sized cities.

In the face of these challenges, rail’s efficiencies simply cannot be ignored.

With service levels targeted to the market, rail can be the most cost-effective, least oil-reliant, and most environmentally friendly mode to move people and freight.

Two railroad tracks can carry as many travelers in an hour as 16 lanes of freeway.

And, while the cost of building rail compares favorably with roads, rail right-of-way only consumes one-third of the land required by roadways.

We also can't ignore the fact that Americans' travel habits are evolving.

It's a common myth that America has too much of a car culture to embrace trains.

But according to a recent study by the U.S. PIRG and Frontier Group, over the last eight years, Americans have actually driven less, while using passenger rail and public transit in record numbers.

Amtrak's ridership record set last year was its 9th in 10 years – part of a close to 50 percent growth in ridership since 2000.

From 1995 to 2008, ridership on commuter, light, and heavy rail shot up 72 percent.

In 2011, Americans took 10.4 billion trips on public transportation, the second highest annual ridership since 1957 – and preliminary data shows 2012 ridership was even higher.

Travel habits are changing fastest among young people.

The U.S. PIRG and Frontier Group report also noted that, in an eight-year period starting in 2001, young people reduced their vehicle miles traveled by 23 percent and increased their average passenger miles traveled by rail and buses by a whopping 40 percent.

But it's not just the next generation.

AARP has made it clear that more and more seniors are seeking communities that make it easier to walk places and use public transportation rather than drive, allowing them to remain active and independent as they age.

And compared to a decade prior, in 2009, seniors made 328 million more trips by rail and transit.

So *this* is the future we must prepare for.

And this is why, as exciting as last year's rail achievements were, we must do better.

With railroad safety, our goal is to ensure continuous improvements: to save lives, and to fortify the industry for its growing role in moving people and freight.

We will continue working with railroads to implement Positive Train Control – a major technological advancement that acts as a safeguard against preventable accidents.

We'll also continue supplementing technology and our traditional enforcement model with initiatives like our Risk Reduction and System Safety programs, which encourage the industry to take a hard look at the risk factors that are precursors to accidents.

With our passenger rail investments, we will continue to focus on three key priorities:

- Managing and executing high-quality projects – bringing them in on time and on budget;
- Laying a foundation for sustainable long-term passenger rail improvements – helping states do strong planning and forging ahead with incremental improvements;
- And ensuring service improvements are tailored to the distinct needs of each market.

Four years ago, we learned that a modern rail network is not just a priority for this Administration – it's a priority for the American people.

Of the \$10.1 billion in total High-Speed and Intercity Passenger Rail program funding that was available, we received more than 500 applications requesting more than seven times that amount.

Just like the early stages of the Interstate Highway System, we're now in the initial phases of a multi-generational effort.

The interstate started with eight lonely miles in the middle of rural Kansas.

It took 10 Administrations and 28 sessions of Congress to complete – but year by year, piece by piece, we got it done.

And like the Transcontinental Railroad a century earlier, it propelled our economy forward and advanced the mobility needs of its era.

So now we must answer the call and tackle the transportation challenges of a new century – congestion, fuel utilization, air quality, and global warming.

World-leading economies do not develop by accident, nor do they evolve by resting on one's laurels.

World-class economies rely on world class transportation systems.

And the case is clear:

America cannot afford to sit on the sidelines – and not develop a comprehensive passenger rail system offering high-speed and higher-performing intercity passenger rail and a more robust freight rail network.

The next generation is counting on us.

And the time for action is now.

Thank you very much.