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On Behalf of the Coalition for the Northeast Corridor (CNEC)
Testimony: The Importance of Investing in the Northeast Corridor
House Committee on Appropriations

Good morning. My name is John Fry, and I am the president of Drexel University located in University City in West Philadelphia, Pennsylvania, which is home to one of the largest concentrations of higher education and health care facilities in the country. Collectively we host over 50,000 students and over 52,000 employees. I also serve as the Chairman of The Chamber of Commerce for Greater Philadelphia.

I am speaking today as a member and representative of the Coalition for the Northeast Corridor – a group of business and institutional leaders that advocates for investment in the Northeast Corridor rail system. Our coalition includes university presidents like myself, as well as national and international companies that rely on the Corridor to conduct commerce, and ensure their employees arrive reliably and safely to work each day. In Drexel’s specific case, we rely upon the Corridor to transport our students, faculty, and administrators in order to conduct the mission of our 125-year-old institution: to address the problems and conditions of our nation and our world through academic instruction, research, and collaboration.

On behalf of our coalition, I thank the Committee for this opportunity to testify regarding one of the most urgent challenges facing the American economy.

As you know the Northeast Corridor is a nearly 500-mile-long rail network that runs between Boston and Washington, D.C., linking cities such as Providence, New Haven, New York City, Trenton, Philadelphia and Baltimore. And as Congressman Leonard Lance noted in a recent letter to the Wall Street Journal, nineteen states – including Virginia, North Carolina and others outside the Northeast – directly benefit from the shipment of passengers and freight along the Corridor.

But I am here today because the total impacts of the Northeast Corridor span far beyond that. They go to the very heart of our national economy and our society.

Let us remember that the Northeast Corridor collectively accounts for about 30 percent of all American jobs and contributes approximately \$3 trillion annually to the U.S. economy. If the Northeast Corridor were its own country, it would have the world’s fifth-largest GDP.

That productivity is driven by the Northeast Corridor. Approximately seven million jobs – roughly a third of all jobs across the region – are located within five miles of a Northeast Corridor rail station. The system carries more than 820,000 passengers every day.

A nonpartisan federal commission found that if the Corridor were to shut down, the American economy would lose more than \$100 million per day.

These metrics are staggering and that is why what I am about to say is so alarming.

The Northeast Corridor is crumbling. In its current state, it is an economic crisis waiting to happen.

Most of the Corridor's current infrastructure was built in the years between the Civil War and the 1930s. I'll say that again.

Northeast Corridor passengers and freight trains – *today* – are riding on rail infrastructure that was built between the Civil War and the 1930s.

Approximately \$3 trillion in economic activity is relying on – *right now* – rail infrastructure that was largely built between the Civil War and the 1930s.

There is something seriously wrong here.

We know what needs to be fixed. We know how to fix it. And we know how much it will cost. A nonpartisan federal commission found that more than \$50 billion is needed to repair and modernize the system. And the longer we wait, the more expensive that work is going to be.

I would like to briefly describe several specific Northeast Corridor projects that are currently in need of federal support.

- In Baltimore, there are efforts to repair and upgrade the 145-year-old Baltimore and Potomac Tunnel. It is a \$4.5 billion project that has received only \$60 million to date.
- In Philadelphia, plans call for overhauling 30th Street Station, which serves more than four million riders per year across numerous transit networks. It is a \$6.5 billion project that does not yet have the funding it needs to get underway. I'll also point out that 30th Street is the "Heart" of the Northeast Corridor, and Philadelphia, which after nearly 60 years of being on the bottom of the economic rung has seen ten years of solid growth with a fast-evolving business environment and bright economic future.
- The Connecticut River Bridge, built in 1907, is both crumbling and functionally obsolete, as it must open and close every time a boat passes underneath. There is a \$660 million plan to replace it, but minimal funds have been secured to date.
- In Boston, there is a push to repair the Ruggles Street Station, where conditions are so bad that more than 30 percent of inbound trains must bypass it and stop at a different station. Again, there is a plan to fix this – but it doesn't have enough funding to get off the ground.
- In Rhode Island, officials want to rebuild the old Pawtucket-Central Falls station – built in 1916, closed in 1981 – to increase access to commuter rail and increase mobility. The project has received some funding, but it is still in limbo.
- When it comes to New York and New Jersey, it is no secret that there is great interest in advancing a project known as Gateway, which would build a new Hudson River rail

tunnel to supplement an existing tunnel that must soon be shut down for repairs. Gateway also calls for replacement of a 108-year-old movable bridge over the Hackensack River, which just last month was stuck open for four hours and created enormous hardship for thousands of commuters. That bridge is fully designed and permitted - a truly shovel ready project that just needs funding.

- And right here in D.C., the 110-year-old Union Station simply cannot handle modern service demands. There is a \$36 million plan to repair and expand the station – but it is still not fully funded.

When we talk about rebuilding American infrastructure, these are projects that should be among the first on the list.

And if we could be frank for a moment, this isn't a policy issue whose merits are debatable for decades by opposing philosophical interest groups. There is no debate on when these bridges, tunnels and buildings were built. This is basic engineering. If nothing is done these structures will eventually be declared structurally unsound and closed. Must we continue to gamble with our own citizens' safety and our national economy, hoping with fingers crossed that a tragic or catastrophic event will not occur on our watch? This work must be done or our nation will be irreparably damaged.

Of course, there have been some positive steps. Our coalition applauded Congress and the President for approving the recent federal spending package, which includes more than \$21 billion for infrastructure grants and additional funding for Amtrak and railway projects.

But we have so much more work to do and the solution like so many large challenges is to embrace the problem and commit to a solution: fund the comprehensive plan put forth by the non-partisan Northeast Corridor Commission which prioritizes and addresses the Northeast Corridor's crumbling infrastructure in order to avoid a catastrophe of historical note.

I'd like to leave you with this thought. It would be a grave mistake to think of the dire problems facing the Northeast Corridor as just a regional crisis or an urban challenge.

This is not a problem for cities. This is not a problem for the region. The economic consequences of continued inaction are a problem for our entire nation.

On behalf the thousands of American workers, students and families represented by our coalition, I urge you to invest in the Northeast Corridor. We have no other choice.

Once again, I am grateful for this opportunity to testify today. The Coalition for the Northeast Corridor looks forward to working with you – and we welcome any opportunity to meet with members of the Committee to discuss this important issue.

Thank you.