

Statement of

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and Infrastructure, Subcommittee on Railroads,

Pipelines and Hazardous Materials

Hearing on

“When Unlimited Potential Meets Limited Resources: The Benefits and
Challenges of High-Speed Rail and Emerging Rail Technologies”

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INTRODUCTION:

Chairman DeFazio, Ranking Member Graves, Subcommittee Chair Payne and Subcommittee Ranking Member Crawford and honorable members of this subcommittee - it is a genuine honor to join you today at this important hearing.

RAIL CONNECTING AMERICA:

As a young man growing up in the Midwest - and specifically on the south side of Chicago - the story of the first transcontinental railroad was enough to

capture my imagination of a vast America - being connected for the first time by mighty rail engines. A connection that would enhance commerce - the ability of businesses and their employees to prosper from coast to coast and also the ability for Americans to move across our great nation with ease and comfort. When Leland Stanford struck the “last spike” on May 10, 1869 – which connected the Central Pacific Railroad with the Union Pacific Railroad – it was a historic event. Historic because this rail line would serve as a great bridge across America, a great bridge connecting America.

For this reason, in 1957, Congress wisely established the Golden Spike National Historic Site and later authorized for federal ownership and administration the area in and around Promontory Summit in Utah by an act of Congress on July 30, 1965. For me, this moment in American history was best captured in a PBS show the American Experience – which included an article entitled “The Impact of the Transcontinental Railroad” stating that “The world was put on notice: the transcontinental railroad was completed and America was moving to the forefront of the world's stage.”

THE AMERICAN EXPERIENCE WITH RAIL CONTINUES:

I wanted to begin my testimony with a historical reference because I believe in William Faulkner’s prescient words - “The past is never dead. It’s not even past.”

And that, I believe, is so very true with respect to the American experience with rail - whether it is light rail, heavy rail, commuter rail, freight rail, long haul rail or short haul rail – it still has the power to move America to the forefront of the world stage and to enhance our nation in any number of ways. I say this because as the Chief Executive Officer of the Los Angeles County Metropolitan Transportation Authority and before that the leader of Denver’s Regional

Transportation District - I have seen with my own eyes the power of rail to transform cities and bring a renewed quality of life - and new businesses - to areas once left for dead.

For today's hearing, I want to lay out in a clear and concise manner why I believe high speed rail – if done right – can serve our nation as well as the transcontinental railroad did in the mid-19th century. Done right, I believe high speed rail can achieve four specific and worthy goals - goals that I believe can appeal to - if not unite - all Americans – irrespective of political beliefs, economic status, or geographic location.

FOUR KEY BENEFITS OF HIGH SPEED RAIL DONE RIGHT:

Number One: Connecting Rural Areas with the Urban Core:

Starting with the first union station built in 1851 (Columbus Union Station in Ohio) and continuing to this day – major railroad stations have served to connect America and all Americans. With the advent of new technologies that offer both a faster rail system and a safer rail system - high speed rail can - and I believe will - serve to leverage the legacy of union stations across America and renew their purpose by offering a direct connection to the jobs that are often situated in urban cores across the United States. Today, in Los Angeles, our economic growth is compromised because access to jobs is sharply constrained – not because individuals do not have the skill sets needed for a job – not because they lack the education. No, they simply cannot get to a job location within a reasonable amount of time. And while COVID-19 has certainly changed where people work for now – I think it is reasonable to assume that many offices will be welcoming their employees back in the near future and that the issue of being able to get to the urban core for jobs is not a matter that is all together in our rearview mirrors. This is where I believe high speed rail

and especially its ability to deliver hundreds of thousands of people to urban cores - like Los Angeles - is vital to America's future economic growth.

Number Two: Renewing the American Dream in the Form of Affordable/Equitable Housing:

I am proud to share that LA Metro is a national leader in growing our transit system alongside Transit Oriented Communities. In recent years, scarce housing and limited transportation options has put the squeeze on working Americans resulting in rising housing costs and longer and longer commutes. The Center for Neighborhood Technology's nationwide Housing and Transportation Affordability index indicates that Angelenos spend over 50% of their income on housing and transportation expenses.

A study by the McKinsey Global Institute made three major findings:

One, Los Angeles residents pay nearly half of their income to rent, on average.

Two, housing costs depress Los Angeles County's GDP by nearly 5%, which is over \$30 billion per year.

Three, Los Angeles County would need to build housing 4.5 times faster than current rates to meet its current Regional Housing Needs Assessment requirements.

The good news is that through passage of Measure M in 2016, Metro is building more mobility enhancing projects. The second solution, in addition to providing more mobility – Metro is also building housing around this growing

system. To date, we have built more than 2,100 housing units on Metro-owned land – 34% of which are affordable housing units and we have another 3,200 units of housing under negotiation with developers. Looking forward, we are poised in the years to come to deliver over 10,000 new housing units – many of them affordable units - around our expanding transit system.

What this tells me is that if we have a high speed rail system - for example the High Desert Corridor intercity rail project in northern Los Angeles County that can connect Apple Valley, unincorporated Los Angeles County and Palmdale with our urban core and beyond – it would offer a chance for the American Dream to be in reach - again - for a new generation of Americans. A high speed rail project along the High Desert Rail Corridor would dramatically reduce commute times by connecting some of the fastest growing residential, commercial and industrial areas in Southern California, such as the cities of Palmdale, Lancaster, Adelanto, Victorville and the Town of Apple Valley and offer a potential future linkage to Las Vegas via the planned Brightline West high speed rail project. In addition, the High Desert Rail Corridor would also connect with the California High Speed Rail system – connecting Los Angeles to the Central Valley and the San Francisco/Bay Area.

In Los Angeles County, the median home price is approximately \$715,000 and with housing costs so much more reasonable outside of Los Angeles - it is a matter of equity that we offer a chance for families and individuals to be able to afford a home outside the urban core and be able to enjoy a quality of life where half their income is not spent on housing and transportation costs. And I should add, according to the State of California's Office of Business and Economic Development, much of the area where the High Desert Rail Corridor would run has been designated as a high poverty area – making the economic

development that will result from this project all the more important. High speed rail can serve to improve housing issues facing American families - if done right.

Number Three: Restoring America's Leadership in Building Rolling Stock:

Almost two years ago to this day, on May 16, 2019, I testified before the full committee of the House Committee on Transportation and Infrastructure - at the invitation of Chairman DeFazio to discuss Metro's goal of establishing a rolling stock industrial park in Los Angeles County or what I have referred to as a Center for Transportation Excellence.

At the time I noted that - and I quote from my testimony - "for reasons that are both very complex and very simple - there are no American manufacturers of mass transit railcars."

This status quo - whether for light rail, heavy rail or high speed rail - of only being assembled in America - not really made in America - is totally unacceptable.

I view congressional consideration of funding high speed rail as a perfect opportunity to restore America's role in building - from the ground up - the new rail cars - including locomotives - that will be needed once the track is laid down for new high speed rail routes.

For Metro - we are prepared to move on our Center for Transportation Excellence - having worked with the City of Los Angeles and County of Los Angeles to identify an area that could host a vast complex where manufacturers and suppliers can work together - using American labor - to build the machines that will deliver 21st century mobility to our citizens.

Number Four – A Safer Way To Travel:

If designed and engineered properly - high speed rail offers a welcome opportunity to move hundreds of thousands of people across America - daily - in one of the safest modes of travel.

According to the Central Japan Railway Company, their bullet train in over five decades of operation - having carried over 10 billion passengers, has had no passenger fatalities due to train accidents - such as derailments or collisions.

If done right in America - why can't we achieve an identical safety record and in effect do the same here across our great land - as they have done in Japan? After all - all of us have families - and who amongst us do not want to create a safer way for our families to travel - whether that travel is on a daily basis or not.

I believe a high speed rail route along the High Desert Corridor – which would connect Los Angeles with Apple Valley and Las Vegas holds the promise to offer a remarkably safe travel alternative in a corridor that today sees approximately 56 million annual trips - by air and automobile. In fact, according to a report prepared for the High Desert Corridor Joint Powers Authority, it is estimated that a rail connection between the Apple Valley and Los Angeles would start at a ridership level of 10.8 million annually. Moving this number of people safely is - as I see it - sound public policy and a solid investment of federal dollars.

CONCLUSION:

The final point I would like to make is this - if high speed rail is done right - I believe this Congress can smartly use Hamiltonian means to achieve Jeffersonian ends. That is, we can use the power of the federal government to

adequately finance these great public works projects - while allowing local, county and statewide officials to ensure these projects and the manner in which they are built - serve the greatest public good. Clearly, those who favor a strong central government - will appreciate this Congress and the President pressing forward on high speed rail. However, I think it is also worthwhile to consider the equal opportunity for individuals that high speed rail can provide – by giving our citizens a level playing field when it comes to the ability - I might even say the freedom - to work and live in a place of their choosing.

Chairman DeFazio, Ranking Member Graves, Subcommittee Chair Payne and Subcommittee Ranking Member Crawford and honorable members of this committee - on behalf of the Los Angeles County Metropolitan Transportation Authority - I want to thank you for giving us this opportunity to discuss our views on the timely and important subject raised by this hearing.

I look forward to seeing rail - in all its forms - continue to provide more mobility to millions of Americans and enhance commerce across America in the years ahead. With leadership from Congress - I am confident that the ceremony marked on Promontory Point in Utah will be replicated again and again across America - as we capture the power of rail to transform our great nation for the better.