

By Eli Richman

High-speed rail has had a bit of a difficult slog lately. Despite the Obama administration's goal of providing 80 percent of Americans with access to the service within 25 years, other lawmakers haven't been as enthusiastic.

In a close vote last week, California legislators allowed their high-speed rail project to continue moving forward despite serious concerns from state oversight officials about the reliability of its funding stream and whether ridership projections will materialize.

The Republican governors of Florida, Ohio and Wisconsin have rejected federal funds for high-speed rail projects in their states. And Congress has failed to fund the administration's High-Speed Intercity Passenger Rail Program in the last two fiscal years.

Internationally, however, high-speed rail is having better luck. Members of the International Union of Railways (UIC) visited Capitol Hill earlier this week to discuss the benefits of high-speed rail and the progress other countries have made with members of the American Public Transportation Association (APTA). The move comes as the organization holds its international high-speed rail conference in Philadelphia this week -- marking the first time it has taken place in the U.S.

UIC's director-general, Jean-Pierre Loubinoux, pointed to the timing of the conference coinciding with the passage of the federal transportation bill as well as the California high-speed rail project, suggesting things may be looking up for U.S. transportation infrastructure. "Is there a link between these events?" Loubinoux asked rhetorically.

Loubinoux touted the economic benefits of high-speed rail, which APTA President and CEO Michael Melaniphy echoed. "First and foremost it is about creating jobs, reducing congestion, increasing economic benefits," Melaniphy said.

## California Project in Doubt

Still, despite the optimism by Melaniphy and others, the future of California's high-speed rail project is uncertain. A state auditor's report published earlier this year questioned the fact that just \$12.5 billion had been secured for the project, which would cost several times that.

The leaders in charge of the project assume it will continue to receive federal funds, but without them, it could face a tough time. Revenue is a continuing concern for California, like most other states, which may struggle to fund programs in the absence of significant federal support.

"This is simply a partisan matter," U.S. Rep. David Price, D-N.C., said at the Capitol Hill event. "The House Republicans have simply cut off funding for high-speed rail."

Meanwhile, California's Legislative Analyst's Office (LAO) has raised serious questions. State officials have repeatedly changed the cost estimate of the project from \$43 billion to \$98 billion to most recently \$68 billion. The LAO report says the state's High-Speed Rail Authority is relying on a speculative funding stream, and that the most recent changes made to the project plan were rushed.

## A Matter of Perspective

Members of APTA as well as international rail officials said that while the initial costs of high-speed rail are high, the benefits outweigh them. "This is not a problem of the money. This is not a problem of the technologies. That is a problem of mentality," said Vladimir Yakunin, president of Russian Railways.

Rep. Price and others expressed a similar sentiment and downplayed some lawmakers' focus on austerity, saying a balanced approach is possible.

"(You) set aside some money for debt, but you can still have priorities," U.S. Department of

Transportation Secretary Ray LaHood said in a conference call with reporters Wednesday. "We have to have transportation priorities, and one of them should be high-speed rail."