

## Intercity Passenger Rail Program (Wis. Stats. various)

### Program Overview:

- The Railroads and Harbors Section (RHS) develops and manages the annual contract with Amtrak for operation of the Milwaukee-Chicago Hiawatha Service. RHS monitors performance and manages the finances for the Amtrak contract.
- RHS is responsible for improvement initiatives to the service, and planning and engineering activities for expansion of the service. This includes ongoing studies to add a round-trip on the Empire Builder route between Chicago, Milwaukee and the Twin Cities and add 3 daily round-trips on the Hiawatha Service, as well as planning for the Muskego Yard freight bypass of the Milwaukee Intermodal Station.
- RHS applies for and manages grant application and awards.
- RHS manages Wisconsin's participation in the Midwest state-owned passenger rail equipment pool, which jointly owns, manages, and maintains passenger rail equipment used on state supported services in the Midwest.

### Program Funding:

- Rail Passenger Service Assistance and Promotion Program [Wis. Stats. s.85.06] Appropriation 266 (for passenger rail operating support, planning, marketing, stations, equipment, and related activities)
  - 2017-2019: \$7,000,000 FY18; \$6,800,000 FY19
  - 2019-2021: \$6,800,000 FY20; \$6,800,000 FY21*Recommended increase to \$7,000,000 for FY21 due to start-up costs for new coach cars*
- Rail Passenger Route Development Program [Wis. Stats. s.85.061; s.20.866 (2) up] Appropriation 911 (for capital costs (infrastructure, stations, equipment))
  - 2017-2019: Approximately \$9,000,000 remaining authorized amount

### Challenges:

- Hiawatha ridership and revenue continues to increase annually, and reached an all-time record high ridership of 858,000 in calendar year 2018. This growth has led to increasing and frequent occurrences of standing-room only conditions and demand for additional frequencies. There are insufficient funds available to complete infrastructure improvements to add frequencies.

### Policy and Budget Opportunities:

- WisDOT, IDOT, and FRA are advancing a project to increase Hiawatha frequencies from 7 to 10 round-trips daily. This project is close to being ready for final design and construction but requires approximately \$200 million in capital improvements. This would be federally funded but would require a 20% or greater match to the federal funds. The minimum amount needed is approximately \$46 million.
- WisDOT and MnDOT are pursuing a project to add one daily regional round-trip on the Amtrak Empire Builder corridor between Chicago, Milwaukee, La Crosse, and the Twin Cities (and stops in-between). This project is nearly ready for final design and construction but requires approximately \$76 million in railroad improvements. This would be federally funded but would require a 20% or greater match. The minimum amount needed is approximately \$12 million.
- Final design and construction for both projects will take approximately 3 years.
- The additional frequencies on the Hiawatha Service and Empire Builder corridor will necessitate an increase in annual state operating payments for intercity passenger rail once the service starts. Federal funds are available to cover 80% of the operating cost for the first 3 years of new services.