

Support Passenger Rail, But Not At the Expense of Freight Rail

ASSOCIATION OF AMERICAN RAILROADS

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WHAT SHOULD BE DONE?

The growth of passenger rail should **complement** — not conflict with — freight rail growth. Freight railroads should be fully compensated for the use of their property by passenger trains. Freight railroads should not be forced to give commuter railroads access to their property without their consent. And freight railroads should be adequately protected from unfair liability. High-speed passenger trains should operate on tracks designated for their sole use, not on tracks used by freight trains.

WHY?

Freight railroads want passenger railroads to succeed, since rail of any kind is good for the economy and good for the environment. The key question is: what's the best way for them to coexist? If passenger railroads impair freight railroads and force freight that otherwise would move by rail onto the highway, shipping costs would rise; highway gridlock would worsen; fuel consumption, pollution, and greenhouse gas emissions would increase; and transportation mobility would deteriorate. The right balance is essential.

Overview of the Passenger Rail-Freight Rail Relationship

- Freight railroads recognize the **significant benefits of passenger railroading**, which is why freight railroads are successful partners with passenger railroads all across the country. Around 97 percent of the 22,000 miles over which Amtrak operates are actually owned by freight railroads, and dozens of commuter railroads operate (or hope to operate) at least partially on freight-owned tracks or rights-of-way.
- Freight railroads are required to give Amtrak access to many of their tracks upon request. They are also required to charge Amtrak significantly discounted rates for that access, and must give Amtrak trains priority over all other trains.
- The access fees that Amtrak pays to freight railroads do not come close to covering the full costs that freight railroads incur in hosting Amtrak trains.
- Before a commuter railroad can gain access to freight-owned property, it must first reach voluntary agreement with the freight railroad on various operational and legal issues, such as the number of commuter trains, their schedule, track access fees, liability, and track maintenance needs. The significant growth in commuter rail over the years shows that these issues can often be resolved.
- Going forward, **ensuring that there is enough rail capacity** will be a critical factor shaping the relationship between freight and passenger railroads.

High-Speed Rail Demands a Visionary Approach

- To ensure success, future high-speed rail passenger corridors should be “sealed” (no grade crossings) and high-speed passenger trains should only operate on tracks designated for their sole use, not on tracks used by freight trains. Attempting to simply “overlay” high-speed passenger trains onto the existing freight network will not provide America the high quality rail service it deserves.
- Separate corridors would enable **faster, safer, and more reliable passenger service** while reducing the operational, engineering, legal, and other impediments that can hinder the ability of freight railroads to successfully accommodate passenger trains.

Full Compensation is the Fair Solution

- Firms that provide locomotives, fuel, or food for dining cars are not expected to subsidize passenger railroads. Freight railroads shouldn’t be expected to either.
- The more constrained freight rail capacity becomes, **the more essential full compensation becomes**. From 1970 (when Amtrak was created and commuter rail was far less prevalent) to 2007, average freight rail traffic density rose 383 percent. This means that available “slots” on major rail corridors have become increasingly scarce. If commuter trains fill these slots, especially at non-compensatory rates, freight railroads’ ability to serve America’s critical freight transportation needs would be limited.
- In some areas, heavy freight traffic means there is no spare capacity for passenger trains. In these areas, passenger trains cannot operate unless new capacity is added — capacity that the freight railroad should not have to pay for. Since the benefits of passenger rail are public benefits, the public should pay for this capacity.

Protect Private Property Rights

- Freight rail corridors are private property. From America’s earliest days, private property rights have been inextricably linked to our freedom and way of life. **Freight railroads should not be forced by the government** to allow commuter trains to use their property any more than any other property owner should be forced to grant someone else use of its property against its will.
- When a commuter railroad is unable to reach an agreement with a freight railroad, it’s often because the commuter railroad is asking the freight railroad to subsidize it in some way — perhaps by asking the freight railroad to accept unfairly low access fees or inadequate liability protection, or to pay for upgrades not needed by the freight railroad. **It just doesn’t make sense** to force one industry to subsidize another industry’s needs.
- Commuter railroads and freight railroads can ask the Surface Transportation Board for nonbinding mediation to help resolve disputes regarding access to freight rail facilities.

Freight Railroads Need Liability Protection

- An accident involving a passenger train on freight-owned property, though rare, could involve major casualties and potentially-ruinous liability claims. Because of this risk, freight railroads require adequate liability protection. By agreeing to **reasonable, enforceable limits** on freight rail liability, policymakers would remove a major obstacle to the growth of passenger rail.