

NEWS RELEASE

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KDOT sets aside stimulus funds for short line railroads

The Kansas Department of Transportation (KDOT) has set aside \$3 million for short line railroad projects from its American Recovery and Reinvestment Act of 2009 (ARRA) highway funds. The ARRA allows states to devote a portion of the highway funding to railroad needs. KDOT is soliciting applications from short line railroads and port authorities for projects to help address economic development opportunities throughout Kansas. Short line rail accounts for about 41 percent (1,930 miles) of the nearly 4,780 miles of rail across the state. Short line railroads transport about 14.5 million tons of freight in Kansas each year.

“Short line railroads are important to our state’s economy,” said Deb Miller, Secretary of Transportation. “They move a variety of goods between our local markets and the national railroad system – connecting many communities to national and global markets. Since the intent of the ARRA is to promote economic development, it seems only fitting that we support our short line rail system.”

The short line funds are intended for construction projects that provide new or improved service to shippers and improved operating efficiency for the railroads, such as siding or spur extension improvements. Applications will be evaluated on a variety of criteria including, but not limited to, economic impact and job creation/retention, project purpose, project cost, and completeness of application. Priority will be given to projects that show clear economic development opportunities.

KDOT has set a deadline of 5:00 p.m. on March 23 to receive the applications and will announce the selected projects on March 30, 2009.

The selected projects must be let to construction by the end of the year and be completed within three years. KDOT expects to receive more project requests than it can fund. If a project is selected and the applicant is unable to meet the deadlines and requirements, KDOT will recall the funds and use the money for other projects in the state. Otherwise, the money would have to be returned to the federal government for distribution to other states.

More information about the short line railroad funding is available on the KDOT website at www.ksdot.org/EconomicStimulus.asp.