

REMARKS FOR
JOSEPH SZABO
ADMINISTRATOR
FEDERAL RAILROAD
ADMINISTRATION
BEFORE THE
MISSISSIPPI VALLEY AASHTO
CONFERENCE
GRAND RAPIDS, MI
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- Thank you, Kirk, for your kind introduction.
- As you know, I'm fairly new on the job at FRA, but because of the Recovery Act, I've really had to hit the ground running.
- I've been working in the railroad industry since I got out of high school, and I can tell you this is certainly the most exciting time for the entire industry.
- **(Go to slide #2)**
- President Obama handed us a special gift when he inserted \$8 billion in the Recovery Act, and his vision for creating a network of high-speed and intercity passenger rail lines presents a great challenge to rebuild America and change the way we travel.
- As never before, FRA is in the spotlight, and we know the pressure is on to get this done correctly right out of the box. And if we don't, the entire prospect of high-speed rail is in jeopardy.
- But the pressure is not just only on us, it is on the states and regions to give us solid proposals so that we can fairly judge which programs deserve funding based on the four tracks we established, and within the criteria we set in our Interim Guidance.
- Just last week we received over 270 pre-applications from 41 states.
- 47 pre-applications were from the Midwest states.
- I know you'd love me to review, critique or comment on the proposals from the Midwest, but I can't at this time. Our evaluation process is based on merit and the criteria set forth by President Obama and our Interim Guidance. We

- I can discuss and reinforce, however, some of our guiding principles and remind you of some of your responsibilities to deliver thoughtful and complete applications.
- The \$8 billion in the Recovery Act and the \$5 billion in the President's budget signal a new chapter in American public transportation.
- This is a large part of what I call the Rail Renaissance in America, which will integrate our national freight network with a fully developed high-speed passenger network.
- We are fortunate to be at the right place at the right time with the unique opportunity to make this Rail Renaissance last for generations, which certainly makes this a historic time for all of us.
- Historic not only in terms that we are taking a major step forward in the development of high-speed rail, but historic in the sense that President Obama has taken such a keen interest in creating a system that will revolutionize the way we travel in America.
- You all know what past Presidents have tried to do...or maybe I should say didn't do...with Amtrak and commuter rail.
- There is no doubt that in President Obama, AASHTO has an engaged ally with a vision for the real potential of passenger rail.

- For the first time, we're going to integrate passenger rail corridors of 100 to 600 miles with the rest of our transportation network -- and bring rail into the 21st century.
- Moving ahead, we will build these corridors on a regional basis, so that one day, millions of Americans will have seamless access to airports, light rail stations, and busy urban centers, creating livable cities and inspiring new development.
- Plus, we will continue to upgrade the reliability and service on existing intercity routes. The first installment for this effort already came in the form of \$1.3 billion in Recovery Act funds to Amtrak...and there will be more to come.
- We will work closely with Congress to be sure this type of funding continues, and that passenger rail is included in our plans for making our communities more livable and sustainable. And I ask for your help in making this happen.
- We know America has the knowledge, expertise, resources and wherewithal to accomplish this grand vision.
- Just look at our interstate highway system.
- Our interstate highway system has long been the envy of the world. But when it comes to modern high-speed rail – we've had to look elsewhere for success.
- It's time to turn that around and rebalance our entire transportation network
- It's time to give more Americans the chance to enjoy the convenience and connections provided by high-speed and inter-city passenger rail.

- These systems reduce highway and airport congestion, save energy, and help to revitalize urban areas.
- When I was in Europe with Secretary LaHood I saw this impact by riding the high-speed TGV rail system in France and the AVE system in Spain.
- I was inspired and encouraged by what I saw in both countries.
- For example, Spain opened its first high-speed rail line in 1992. And now they've got 2,300 miles planned or in operation, stretching from the southern coast up to Barcelona in the northeast.
- The economic and environmental benefits are very real.
- Forty percent of the Spanish population now lives within 30 miles of a high-speed rail station.
- Simply by virtue of being on the rail line, cities off the beaten track have become high-profile destinations.
- And the Madrid-to-Barcelona spur alone keeps 250,000 tons of CO₂ out of the atmosphere each year.
- These are the public benefits of high-speed rail, but right now here in the U.S., everyone involved with rail wants to know more details about our selection process, plans, and who will be granted funds.
- Let me reiterate the President's statement that projects will be selected based on merit.
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- We will be looking for projects that address the President's and our strategic goals of:
 - Ensuring safe and efficient transportation choices.
 - Building a foundation for economic competitiveness.
 - Promoting energy efficiency and environmental quality.
 - Supporting interconnected, livable communities.
 - Creating public and customer benefits.
 - And, mitigating risks in order to achieve project success.

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- In addition, there are several keys to success that you need to achieve, such as:
 - the need for strong partnerships
 - clearly identifiable benefits to the public and customers
 - strong technical, financial and management capabilities
 - a strong commitment and plan to effectively operate your systems well into the future
 - and positive working relationships on all levels of government and community organizations

- I want to put special emphasis on project and financial management. State DOTs have this experience with bridges and highways, but not necessarily with railroads. This type of expertise must be transferred to high-speed rail development from either internal or external sources in order for your project to past muster with us.

- The same goes with partnerships. You're being asked to go outside your normal comfort zone to enter into agreements and work closely with other states, the freight railroads and a railroad operator, but it must be done.
- **(Go to slide #5)**
- And if the first of these projects are not successful, the future of the entire program is at risk.
- This is why we have a merit-based system for choosing projects. We need projects that will advance the development of high-speed rail, not projects that play political or regional favorites.
- In order to make this work – and address our transportation challenges – there are several prerequisites needed in your applications. Again, the most vital to me are project and financial management, and the strength of your partnerships.
- And the evaluation criteria we're using underscores this plus other requirements outlined by President Obama in the Strategic Plan and detailed in our Interim Guidance.
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- We've set an aggressive timeline, but this is necessary in order to not only achieve the goals of the Recovery Act, but to get you funding so you can truly begin your projects. The \$8 billion in Recovery Act funds and \$5 billion in the President's budget is just the down payment to help you move your high-speed rail projects into high gear. Much of the rest depends on you and your partners.
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- As you prepare your final applications you need to ask yourself if you have completely satisfied these requirements, for we cannot fund anything less. The future of your program, of all programs, depends on doing the labor now to create an ironclad package so that project implementation will be a success.
- Thank you, and if you have any questions about your application or any aspect of the high speed and intercity rail program, please contact us at HSIPR@DOT.GOV.
- **(Go to slide #8)**