TESTIMONY

U.S. Senate Committee on Commerce, Science and Transportation Passenger and Freight Rail: The Current Status of the Rail Network and the Track Ahead By Paul Tuss, Executive Director Bear Paw Development Corporation Havre, Montana October 21, 2020

Chairman Wicker, Ranking Member Cantwell and members of the Committee – I am honored to be with you today and thank you for this opportunity to discuss with you the absolute importance of passenger rail service in our nation, especially as it relates to the federal government's historic investment in this critical component of America's transportation infrastructure. My name is Paul Tuss and I serve as the Executive Director of Bear Paw Development Corporation, a federally-recognized Economic Development District in rural northern Montana. Our region includes five counties, two Indian nations, is bordered to the north by the Canadian provinces of Alberta and Saskatchewan and to the south by the Missouri River. It is 17,811 square miles in size and is larger than the combined total of 9 individual states. Many of the communities we serve are considered not just rural, but indeed frontier. And running through it all is the Empire Builder, one of Amtrak's most successful long-distance routes.

The Empire Builder in Montana includes stops in twelve communities and has proven to be a lifeline for our residents. The Empire Builder is utilized by Montanans for a variety of reasons, including access to advanced medical care in more urban areas such as the Mayo Clinic in Minnesota as well as facilities in Seattle. This passenger rail service also delivers people to their place of work and brings families together who live in different parts of our country. Importantly, the Empire Builder also brings out-of-state residents to Big Sky Country for vacations and other purposes that add significantly to Montana's economy. In Whitefish alone, which is the busiest stop in Montana for the Empire Builder, more than 55,000 people either board or disembark at that location, adding significantly to a local economy that has a sizable tourism sector, given its proximity to Glacier National Park, Flathead Lake and Whitefish Mountain ski resort.

In 2019, the twelve Amtrak stations in Montana served 121,429 passengers, who either boarded or disembarked on the Empire Builder. This level of activity is significant, especially for a rural state. According to the Rail Passengers Association, the Empire Builder contributes an estimated \$327 million to the economies of the states in which it operates, and the federal government pays approximately \$57 million a year to keep it running. This \$270 million net positive is a return on investment that is noteworthy, significant and clearly validates the federal government's investment in this route.

Unfortunately, regardless of the significant ROI the Empire Builder has demonstrated in years past, daily service on the route has been eliminated as of October 19th. Amtrak has made the decision to reduce daily service to three times per week. This move will obviously significantly hamper the ability of Montana residents to utilize the Empire Builder as they contemplate travel for personal or professional reasons. While we know the current global pandemic has adversely impacted ridership for Amtrak, this significant cut in service will only make things worse, with fewer options available for those individuals and families interested in using America's passenger rail system. And cuts like this only lead to even more negative numbers when it comes to ridership, potentially further justifying even deeper cuts in the future. We all know it is far more difficult to re-establish a service once it has been eliminated. Our real concern at this juncture is that the current reduction in service will become permanent and

Amtrak in our state and elsewhere will be a less reliable and more inconvenient travel option for Americans.

The federal government has historically and smartly invested in our country's public transportation systems. These systems have kept our nation moving, quite literally. The economic powerhouse that we are as a country is directly attributable, in many ways, to the wise investment that the federal government has always made in building and maintaining America's transportation systems. Whether it's airports, seaports, our interstate system or passenger rail service, our federal government has traditionally recognized the absolute importance of investing in our transportation systems to keep America strong, our economy on track and to assure that people and goods get from one location to the next.

A safe, reliable passenger rail system in our country is critically important, especially for our rural and frontier communities. I strongly recommend your continued investment in Amtrak, including its long-distance routes such as the Empire Builder. Now is not the time to shrink from the commitment this nation has historically had to connect our people and places through a robust passenger rail system.

Thank you for allowing me the opportunity to share these comments with you.