

Chair Senator Mike Petersen

Senate Transportation Committee

Hearing on SB 349 Passenger Rail Service Program (K.S.A. 75-5089, as amended)

Spoken Testimony is from Deborah Fischer Stout, Northern Flyer Alliance, Inc. 2/7/2024

Thank you for that introduction. First, I want to say that I am an unpaid volunteer in the effort to restore passenger rail service from Newton, KS to Oklahoma City, and I have been since 2007. Trains have been a part of my family since the 1920's when my grandfather began working for the Kansas City Southern Railroad as a teenager.

But family livelihood and fond memories are not why I volunteer in this effort. I have seen with my own eyes the economic, transformational power of newly established train service in abandoned downtowns and the surrounding community. Historically, rail infrastructure has been the driving force behind large and small towns in America for over 150 years. When rail left communities 50 years ago, small towns began to decline and are still declining.

Rail is different than highways, buses, and planes. Rail infrastructure brings investors to downtowns. Why? First, because unlike buses, rail transportation won't be moving anytime soon. Bus stops move, rails don't. Our neighboring state of Missouri discovered that passenger rail transportation is responsible for \$208M in annual economic activity in Missouri as a result of the River Runner which connects 8 suburban and rural communities to Kansas City and St. Louis.

Bryan Ross, Railroad Operations Manager for Missouri's Department of Transportation gave a presentation to the Kansas Rail Caucus last April regarding the 2021 Economic Impact Study of the MO River Runner. They found total annual economic activity of \$208M, the creation of 1250 jobs, \$65M in annual income to Missouri workers, and \$22M in additional tax revenue as a result of the rail service. Although tax revenue is the major source of funding for the operation of state-supported trains across the country, Missouri discovered that those expenditures were an investment that generated more taxes.

In 2021, Missouri paid \$9.1M to operate the River Runner, but received \$22M in tax revenue as a result of the train. Bryan Ross shared with the Rail Caucus a quick calculation: dividing 22 by 9.1, Missouri enjoys a 2.4 to 1 return on tax revenue. In other words, the Missouri River Runner has been supporting Missouri's budget for over 40 years. Kansas, by investing in passenger rail, is investing in its own budget.

Considering the revenue positive investment of the River Runner right next door, we can expect the Heartland Flyer Extension will increase Kansas tax revenue and bring about positive transformative changes for many downtowns and residents of Kansas.

As a volunteer, and as an advocate for economic growth, please pass out of Committee SB 349 and please add \$5M to the state's budget so that we invest in the future of Kansas by the development of the Heartland Flyer Extension.

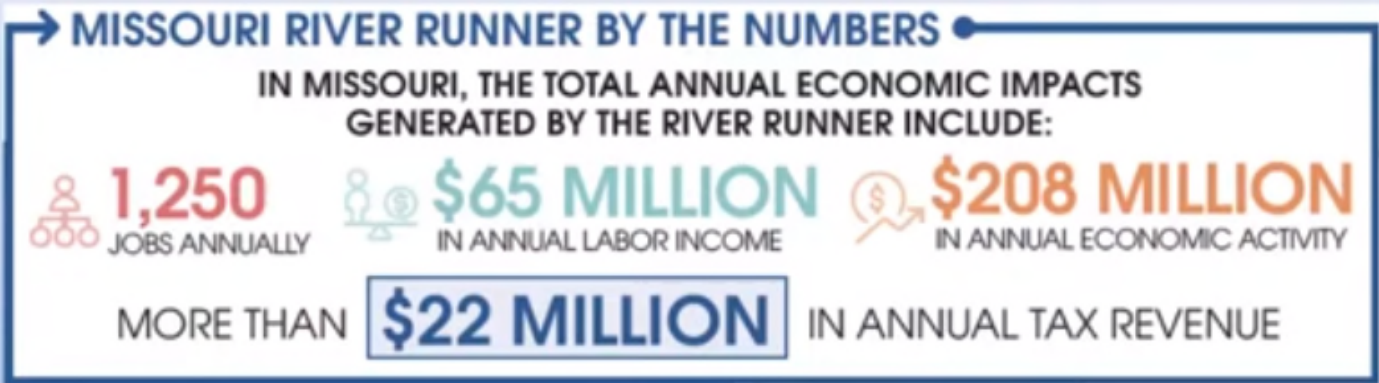
Deborah Fischer Stout, President
Northern Flyer Alliance, Inc.



Via webex

Economic Impact of Amtrak's Missouri River Runner Service (2021)

2.4:1 return on investment



generated on the back side so that came out to a 2.4 to 1 return on investment

+16

Passenger Rail Caucus Meeting 04/27/2023



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