

Don't Let High Speed Rail Go off the Tracks

Stanley Ellicott, November 17, 2011

High Speed Rail holds great promise for the state of California. As the most ambitious public transportation project in the state's history, the initial San Francisco – Los Angeles track will cost upwards of \$42 billion and require a decade to construct. And for its \$42 billion investment, Californians can anticipate reduced transit congestion and greenhouse gas emissions, economic growth along the new transit corridor and throughout the state, and new choices for long distance intra-state travel. But perhaps most important for California's two million unemployed workers, high-speed rail is anticipated to create 100,000 construction jobs for each year the system is being built, and more than 450,000 permanent jobs spurred by economic development from the project.

New jobs in engineering, management, construction, maintenance, security, train service, and hospitality can't be shipped abroad or lost to foreign competitors. They are permanent jobs we can begin creating for the two million unemployed Californians who are eager for a way back to financial self-sufficiency.

But like any project of this scope and cost, high-speed rail has attracted criticism from well-funded community groups, businesses and politicians, all organized to block it from becoming a reality in California. The most serious opposition has come from state and federal lawmakers who have sought to vacate \$16 billion in existing financial commitments, citing ballooning costs, lower-than-anticipated ridership estimates and declining public support. Without these funds, high-speed rail will lurch to a halt before planned construction begins in 2012.

Opposition has also centered on poor management and lack of accountability from the High Speed Rail Authority, the state agency responsible for planning and implementing the new system. Earlier this year, the California Legislative Analyst released a scathing report on rail management and pressed state lawmakers to transfer its responsibility to the California Department of Transportation. The report generated significant concern for the future of high-speed rail in California beyond the politically-connected of Sacramento.

With concerns of cost and management in mind, what is the way forward for high-speed rail in California? Building the system will cost Californians a sizable sum, but the state has already received billions in federal support and should cautiously anticipate new streams of federal and private financing over the next few years. The rail system is likened to the construction of the Interstate Highway, which cost more and took longer to build than anticipated, but later proved to be a cornerstone for an era of great economic development for the United States.

Secondly, state lawmakers must improve oversight of the Rail Authority, and improve governance among its Board of Directors and staff. Failing to do so will jeopardize the hundreds of thousands of jobs from construction and economic development that high-speed rail will generate for California.

Finding a way to move forward with high-speed rail is essential to the continued prosperity of California. It is an opportunity that we cannot afford to sacrifice.

Unemployment data sources: http://www.edd.ca.gov/About_EDD/pdf/urate201110.pdf