

(LIMBA Rail Trans letter)

August 2, 2003

Re; Rail Transportation

Dear Mr. President

Recently there was an announcement on the news that Amtrak lost \$1 billion on its operations. The president suggested that the states take a bigger role. Given the sad state of affairs the states are in this proposal could be the death knell of the railroads. Last year the federal government subsidized airport construction to the tune of \$12 billion. That sum was placed in the federal budget prior to the disaster of 9/11. After 9/11 the airline "suits" came to Washington to beg for another \$15 billion and got it.

While other countries have built, and continue to build, state of the art rail systems, we relegate a major transportation system to the whimsy of state finances. The safety and security of this country depends on a variety of transportation modes in order to move goods and people.

As a nation we have been blind to opportunities presented by creating a modern rail system. Creating modern, efficient rail systems is part of the transportation mosaic that America needs to remain competitive. We also need these systems to handle the extensive tourist opportunities that other nationals look for when visiting the US.

Building an extensive, modern rail system makes sense in any circumstance, but if we embarked on an extensive remaking of the rails using exotic technologies including, MagLev (magnetically levitated trains), we would do more to improve the economic viability of the US than any tax cut could provide. The immediate economic impact that such a mammoth effort would create is impressive. The engineering jobs, and the construction jobs alone would have an enormous impact on the nations economy. The long-term effects of having these valuable assets in place will pay enormous dividends in the future.

Under president Eisenhower we began the Interstate Highway system. We can and should do the same for the railroads.

Sincerely,

Ernest M. Fazio, Chairman
Long Island MidSuffolk Business Action.