



November 23, 2010

The Honorable James Sensenbrenner  
United States House of Representatives  
2449 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Sensenbrenner:

On behalf of more than 1,500 member organizations of the American Public Transportation Association (APTA), I write to express our concerns about legislation you recently introduced which would allow states to return funds provided for Capital Assistance for High-Speed Rail and Intercity Passenger Rail (HSIPR) Service under the American Recovery and Reinvestment Act (ARRA, P.L. 111-5) to the General Fund of the United States Treasury for deficit reduction purposes.

While we understand the need to reduce the national deficit, we believe that these funds are needed to advance an important national priority. Any monies from states opting to terminate their HSIPR projects should be returned to the U.S. DOT to be redistributed through a competitive HSIPR grant process.

The national demand for a modernized passenger rail network has never been more clearly demonstrated than during ARRA's HSIPR grant program application process, when thirty-four states submitted applications totaling more than \$57 billion in requests for project funding. These projects will produce new passenger rail networks that benefit the economy, construction and manufacturing jobs, and domestic business growth. New service spurs economic development around new stations and reduces our dependence on foreign sources of oil. Project sponsors will benefit from taxes collected from HSIPR infrastructure construction and related projects that generate desperately needed state, local and federal tax revenues – breathing life into struggling economies and paying down the deficit while creating good paying jobs that improve the nation's infrastructure.

In your state of Wisconsin, for instance, the positive financial impacts of creating a HSIPR network are already being realized, with Spanish railcar manufacturer Talgo spending millions of dollars to open a plant in Milwaukee. However, the recent decision by Wisconsin's Governor-elect to terminate this HSIPR project will likely result in Talgo closing its doors in Wisconsin, taking with it at least 125 jobs and much needed tax revenues.

While we applaud your commitment to reduce the national deficit, we believe that redirecting funding away from vital transportation projects with far-reaching benefits is not the answer. Your proposed legislation may result in marginal savings in the short term, however, the jobs and economic activity generated by HSIPR investments yield far more positive impacts on the economy in the long run.

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Page 2

Thank you for your time and attention to this matter. If you should have any questions, please have your staff contact Joni Zielinski of APTA's Government Affairs Department at (202) 496-4865 or email [jzielinski@apta.com](mailto:jzielinski@apta.com).

Sincerely yours,

A handwritten signature in black ink, appearing to read 'William Millar', with a stylized flourish at the end.

William Millar

President

WM/tjj