



WISCONSIN LEGISLATURE

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June 18, 2010

Mr. Peter M. Rogoff
Administrator
Federal Transit Administration
East Building, 4th Floor
1200 New Jersey Ave, SE
Washington, DC 20590

Ms. Marisol Simon
Regional Administrator, Region V
Federal Transit Administration
200 West Adams St.
Suite 320
Chicago, IL 60606

Dear Mr. Rogoff and Ms. Simon,

As a member of the Joint Finance Committee and Republican leader of the Wisconsin state Assembly, we write to you today to strongly urge the Federal Transit Administration against approving the Southeastern Regional Transit Authority (SERTA) application for preliminary engineering.

As you may know, SERTA is submitting an application for preliminary engineering to the FTA this month. There are several reasons we think this application should be denied.

First, there was much debate in the Legislature over the past biennium regarding approval of a funding mechanism for SERTA to establish a Kenosha-Racine-Milwaukee commuter rail line. Ultimately this funding mechanism was not approved by a Legislature that arguably could be considered to have the optimum political makeup for such an approval. We can assure you that should the makeup of the Legislature change after the election, there will be even less support. By approving a preliminary engineering request, the FTA will be circumventing the intent of Wisconsin's Legislature and funding an expensive project without the certainty that Wisconsin intends to financially participate in the initiative.

Further to this point, it is not just the Legislature that exhibits opposition to the project. Both Democrat Tom Barrett and Republican Scott Walker - frontrunners in Wisconsin's gubernatorial race - have expressed opposition to the KRM commuter rail line, as well. (Milwaukee Journal Sentinel article attached).

Second, the Milwaukee bus system is in peril. Fixing this existing system should be the top priority. By approving the application in question, the FTA will be doing a grave disservice to thousands of Milwaukee bus riders who rely on the bus every day. Building KRM on a route for which we have existing commuter bus service will require \$53 million from the state's transportation fund and operating subsidies thereafter. Prioritizing a sparsely used rail line that claims it will carry 2 million riders a year over

an existing transit system that carries 46 million riders per year will cause millions in precious transportation dollars to be siphoned away from this already troubled bus system.

For further reiteration of this particular point, you need only look to the Minority Report submitted to the FTA this month by Milwaukee County Board Chairman Lee Holloway and 1st Vice Chairman Micheal Mayo, Sr. They have also requested you delay approval of this application until a solution is found for the Milwaukee bus system.

Next, we believe you should deny the application because the general public opposes this project. A survey conducted by the Wisconsin Club for Growth and the Independent Business Association of Wisconsin in 2009 found that voters, after being informed of details of the plan, oppose KRM 59% to 31%. 80% of respondents said they were even more likely to oppose KRM when they found out an unelected board would have the power to raise taxes and issue debt without voter approval.

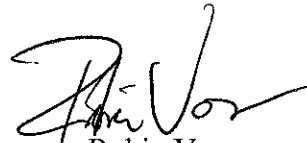
Finally, many of the local governments who will have representation on the SERTA board do not support the plan as currently drafted. For instance, the Racine County Board recently passed a resolution (on a vote of 18-2) stating their intent to place a non-binding referendum question regarding a transit tax on the November ballot. The Kenosha County Board is considering a similar referendum. These positions are clearly divergent from those of commuter rail supporters who have opposed the idea of referenda because, as illustrated in the points above, they know the public does not support KRM, especially now that an Amtrak train to Madison, a downtown trolley in Milwaukee and track upgrade and new trains set for Amtrak to Chicago have been approved which will draw on the state transportation fund for subsidies.

If the FTA approves this application, a new \$11 rental car tax will be collected from Southeastern Wisconsin residents immediately. We would like to save taxpayers from the burden of this tax. We think it will ultimately prove unnecessary, as we assure you we will do everything in our power to stop this project. Please wait for the approval of the Legislature before you allow funds to be spent on preliminary engineering for KRM.

Sincerely,




Jeff Fitzgerald
Assembly Republican Leader
Wisconsin State Assembly



Robin Vos
Ranking Member, Joint Finance Committee
Wisconsin State Assembly

cc: Karl Ostby, SERTA
Ken Yunker, SEWRPC
Susan Borinsky, Associate Administrator for Planning and Environment

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 Wisconsin

Rail ideas await their fate in Milwaukee

Three stalled plans for Wisconsin train travel get reanalyzed in the election year

By [Larry Sandler](#) of the Journal Sentinel

Posted: May 30, 2010 | [\(110\) Comments](#)

Railroads and politics have one thing in common: They're all about the timing.

Trains run by schedules. Politicians wait for the right moment to make their moves.

And timing is everything for rail transportation in southern Wisconsin, where political circumstances have brought three different rail transit plans to the forefront simultaneously - only to thrust them into an election-year controversy where some plans may not survive.

After years of study and debate, the state has landed an \$810 million federal grant to build a [high-speed train line](#) from Milwaukee to Madison. At the same time, Milwaukee-area authorities are seeking federal permission to start preliminary engineering on a \$283.5 million commuter rail line from Milwaukee to Kenosha and a \$95.8 million [modern streetcar line](#) in downtown Milwaukee, two other long-discussed ideas.

Officially, the three plans are not related, except that all three systems would converge at Milwaukee's downtown Amtrak-Greyhound station, where the streetcar could carry Amtrak or [KRM Commuter Link](#) passengers "the last mile" to their destinations, Milwaukee Mayor Tom Barrett said. Supporters also tout all three as ways to stimulate economic development and improve mobility.

Politically, all three are linked in the minds of their opponents, as symbols of unnecessary taxation and skewed transportation spending priorities, say Milwaukee County Executive Scott Walker and state Rep. Robin Vos (R-Racine). Walker, Vos and their allies oppose new sales taxes - which are not currently proposed for any of the rail lines - and want transportation dollars spent on roads and buses.

Although the high-speed rail planning started under former Republican Gov. Tommy G. Thompson, a longtime passenger train booster, the train debate in recent years has turned partisan, pitting Democratic rail backers against GOP critics. Now the rail projects have emerged as an issue in the fall governor's race - in which Barrett is the likely Democratic nominee and Walker is facing former U.S. Rep. Mark Neumann for the GOP nod.

Walker has taken the hardest line against all three projects, vowing to kill the high-speed train project if he's elected. He has long argued against the streetcar line and recently came out against the KRM, a project he had not vocally opposed before.

Neumann, meanwhile, has said he would analyze the costs and benefits of the high-speed train, but would end work on it if "we find this thing is going to be an economic boondoggle for the people of this state." He says he would apply the same approach to state aid for the KRM and the streetcar line.

Barrett's qualms on KRM

Barrett has been the chief advocate for the streetcar and has joined Gov. Jim Doyle in backing the high-speed train line. But he says his support for rail projects doesn't necessarily extend to the KRM.

Unlike the streetcar and high-speed rail, the commuter rail line KRM doesn't have a pot of federal money pledged to it, Barrett noted. Also, he said, the Chicago-area Metra commuter train system hasn't agreed to coordinate its schedules with the KRM, allowing passengers to easily transfer between systems for trips across state lines. Without those factors, Barrett said, "I'm not going to commit to it."

The KRM's fate also has been tied to legislation to overhaul funding for the Milwaukee County Transit System and its counterparts, which floUNDERED in Madison amid concerns about authorizing new sales taxes in an election year.

That leaves the KRM as the most vulnerable of the three rail projects, both advocates and opponents conclude.

"We've got some hurdles to overcome," conceded Karl Ostby, chairman of the Southeastern Regional Transit Authority. "It's a challenging time politically."

And even though construction funding is more solid for the streetcar and the high-speed rail line, all three projects have preliminary financial plans that call for varying levels of state operating aid, which eventually would require approval by the Legislature and the governor in the state budget.

"You can't point to any of these and say it's a done deal," says Rob Henken, president of the Public Policy Forum, which has studied local transit issues.

Yet it was another election, in November 2008, that laid the groundwork for all three rail plans to advance as far as they have. Democrat Barack Obama was elected president, while Democrats captured the Assembly and expanded their majorities in the state Senate and both chambers of Congress. With Doyle as governor, Democrats were solidly in control of both state and federal executive and legislative branches.

Barrett moved quickly to take advantage of the political shift. For 17 years, local and state officials had battled to a stalemate over how to spend \$91.5 million in long-idle federal transit funds. Since 2007, Barrett had been pushing to use part of the money for streetcars, while Walker wanted all of it spent on express buses.

But in March 2009, with his former colleagues running Congress and a fellow Democrat in the White House, Barrett engineered a deal to hand the city 60% of the cash, or \$54.9 million, for the streetcar line, leaving the rest for the county to spend on buses.

High-speed rail

Similarly, the Milwaukee-to-Madison train plans had sat idle for years, as part of a larger initiative to run fast, frequent trains across the Midwest. State officials had pledged to put up 20% of the cost, but the federal government had never agreed to provide the other 80%.

All that changed with the massive federal stimulus package approved in February 2009. Congress appropriated \$8 billion for high-speed rail projects nationwide, and the Obama administration agreed to pay 100% of the cost of the Wisconsin line.

Meanwhile, a lower-profile federal move improved the prospects for the KRM, under study since 1997. Until recently, federal funding standards had favored projects in only the largest metropolitan areas, reducing the chances for a rail line in the Milwaukee area, said Ken Yunker, executive director of the Southeastern Wisconsin Regional Planning Commission.

The Obama administration ushered in a more favorable attitude toward rail transit, broadening the guidelines to consider a project's impact on its region's livability and sustainability instead of focusing primarily on cost-effectiveness, said Milwaukee Ald. Bob Bauman.

Locally, the Federal Transit Administration slightly eased its position that it would not approve KRM until public bus systems were financially stabilized, raising the possibility that the rail line could enter preliminary engineering while officials continued work on transit funding, Yunker said.

Those developments encouraged the RTA to seek approval for preliminary engineering, despite the transit legislation's death.

Yet the legislative debate highlighted the risks of pressing transit plans forward in an election year, even with one-party control of the Capitol. A year earlier, lawmakers had approved a budget provision to create a one-county transit authority that would levy a local sales tax for Milwaukee County's troubled bus system, but it was vetoed by Doyle, who preferred a regional solution. This year, revised versions of the legislation never even reached the floor of either chamber, reflecting skittishness about authorizing new sales taxes before facing voters.

Vos, a leading rail opponent, calls the legislative hesitation a sign of bipartisan reservations about the KRM.

Current plans call for funding the KRM with a rental car tax of up to \$18 a car, but Walker fears the rental car tax would prove unsustainable and would be replaced by a sales tax. Even if that doesn't happen, federal approval for final KRM construction hinges on bus funding that likely would require a sales tax, Ostby noted.

Commuter rail backers such as Ostby, Greater Milwaukee Committee President Julia Taylor and state Rep. Peter Barca (D-Kenosha) say the transit bill mobilized a strong coalition of business, labor and community groups for both bus and rail transit.

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