Restoring Gulf Coast Service Is A Vital Link For ‘A Connected America’

From Hattiesburg and Meridian, Miss., to communities around the nation, history and data show over and over again that rail is an economic engine in the communities it serves and that investment in passenger rail returns many multiples to the local economy of what is spent on it.

Seven of the 12 communities between New Orleans, La., and Jacksonville, Fla., whose service was suspended post-Katrina have no air service, and four have no intercity bus service, leaving those four areas without any public transportation option.

“I’ve made seven trips to the Gulf Coast in just the past 14 months, and every official I met with at every level of government agreed that restoring this service was vital to the South’s economic competitiveness,” said Jim Mathews, President & CEO of NARP. “The consensus was more than bipartisan, it was non-partisan. There are wonderful towns and cities in Louisiana, Mississippi, Alabama and Florida, but those communities won’t remain competitive if nobody can get to them on a national network. The officials I have visited with over the past few months, Republican and Democrat, are united in their unwillingness to be turned into second-class citizens and getting left behind when it comes to getting around their states and the Gulf Cost region.”

Based on an assessment of existing performance, projected additional boardings, and a change from three-times-weekly to daily service, NARP believes a daily Gulf Coast service between New Orleans and Jacksonville could generate as much as $40 million to $50 million per year, doubling revenue on each leg (west and north), even though it stops short of the major tourist destinations in Orlando.

This segment parallels the busy I-10 corridor connecting the eight southernmost states, which together are home to one out of every three Americans and which have accounted for half of all U.S. population growth between 1970 and 2000, according to the U.S. Census Bureau.

Reconnecting these areas to the rest of the economy should produce a net benefit beyond direct investment in rail service by easing the Gulf Coast’s isolation from access to other markets for travel and tourism revenue. In the absence of this service, those travelling between Western and Midwestern U.S. cities on the one hand and Florida and Southeast U.S. markets on the other must make a circuitous trip through Chicago and Washington, D.C., which actively discourages travel and the spending that might otherwise take place in those cities and towns along the way.

NARP believes voters should consider intermodal and rail as they would any other transportation investment. The payoff to a municipality, state or region to invest is not just in farebox recovery, but in whether the transportation fulfills a local or regional need in bringing jobs and the preconditions for a healthy economy and jobs to that area, attracting other investment and private capital. The rule of thumb that has emerged from examples across the country suggests that on average every dollar invested in rail and improvements yields a three-dollar return to the surrounding community. In some cities and towns it has been much, much more.

NARP’s members nationwide are working to create A Connected America by advocating for more and better transportation options in their communities, and NARP is the nation’s oldest and largest voice for the nearly 40 million Americans who ride trains every year. You can learn more about long-distance trains’ economic benefits in these fact sheets:

NARP Fact Sheet on Trains’ Role in Economic Development

NARP Fact Sheet on the Importance of the National Network