



Passenger Trains: Economic Engines

Providing Resilience for American Families

The U.S. transportation status quo is broken—the average household spent \$13,318 on transportation in 2024, the second largest household expenditure category after housing (BTS). And the cost isn’t just in dollars: over 43,700 Americans died on U.S. roads in 2024 (NHTSA).

- Lower income households bear a high transportation cost burden, spending 30 percent of pre-tax income on transportation in 2024 (BTS).
- Rural households spent an average of \$1,361 more per household on transportation than urban households in 2024 (BTS).

These trends have only gotten worse with this year’s surging fuel costs, which have strained family budgets and led to cancellation of non-essential trips. Any effective national policy for energy independence will *require* diversifying our transportation network and investing in energy-efficient, electrified passenger rail.

Economic Engines for Growth

A Connected America is not only good for passengers but good for America’s cities and towns, where rail is a *proven* economic engine in the communities it serves. Every Amtrak long-distance route creates a return on taxpayers’ equity for the communities that have invested in it over the past few decades. And thanks to rigorous economic-benefits modeling *Rail Passengers* has developed over the past three years, we have been able to quantify that return in a way that hadn’t been done previously. ***Rail Passengers’* modeling suggests that Amtrak’s interconnected services in the Northeast Corridor, the long-distance National Network and the dozens of State-supported Amtrak routes together return between \$7 billion and \$8 billion each year to our Nation’s GDP – four times what we typically invest in the service.** These long-distance routes below are just examples of the benefits long-distance trains can generate.

Selected Economic Benefits Assessments (FY 2019)						
	City Of New Orleans	Empire Builder	Silver Services	Southwest Chief	Texas Eagle	Crescent
<i>Cities Served</i>	20	46	36	38	44	33
<i>States Served</i>	5	8	11	8	7	13
<i>Ridership</i>	235,670	433,372	743,461	338,180	321,694	295,180
Annual Federal Investment	\$17.9m	\$57.5m	\$76.2m	\$47.0m	\$25.4m	\$33.7m
Annual Economic Return	\$133.8m	\$595.2m	\$381.8m	\$484.8m	\$555.3m	\$232.8m
Return on Taxpayers' Equity	7.47X	10.35X	5.01X	10.31X	21.86X	6.91X

Source: Rail Passengers Association modeling estimate

*Indirect effects include community-level effects such as sales taxes, real-estate, local employment and other similar factors

Rail Passengers' Economic Analyses Quantify Value of Rail Investment

- A second Amtrak train between Chicago and Minneapolis/St. Paul [generates \\$47 million in annual benefits](#) to Minnesota, Wisconsin and Illinois—a return on investment of better than seven-to-one.
- A restored *North Coast Hiawatha* service, making 47 station stops in seven states, could [generate a total economic benefit of \\$270.6 million annually](#).
- Extending the existing Amtrak *Downeaster* service to Bangor with two daily roundtrip services could [generate some \\$61.7 million in annual economic benefits \(2025 dollars\)](#) for all 16 counties in the state of Maine — not only those with train stations — driven by generating new incremental ridership of more than 260,000 in the first year of service.
- Extending service on the Crescent route from Meridian, MS, to Fort Worth, TX, could [generate as much as \\$50.7 million annually in new economic benefits \(2023 dollars\)](#) to a dozen communities that would be served and some \$207 million annually overall to the three states concerned – Mississippi, Louisiana, and Texas.

Investing in American Manufacturing + Jobs

- The rail supply industry contributes **\$127 billion annually** to the U.S. gross domestic product and directly employs an estimated **338,000 workers** (RSI).
 - When accounting for indirect and induced effects throughout the broader economy, total employment supported by the rail supply industry rises to approximately **906,000 jobs** (RSI).
 - Amtrak's procurement and capital investment activity supported approximately **45,800 jobs** and generated **\$6.5 billion** in U.S. GDP in 2024, along with **\$3.8 billion** in labor income and **\$1.4 billion** in tax revenue across federal, state, and local levels (RSI).
- An investment of \$1 billion in public transportation **supports and creates 49,700 jobs** (APTA)
- A 2024 report by the North Carolina Department of Transportation's Rail Division found **the state's rail system contributes over \$20 billion** into the state's economy and supports 88,000 jobs (NCDOT)

Rail Service: Rural Mobility and Opportunity

The National Network provides economic opportunities to less affluent and less well-educated communities, many of which fall below the national median income. Taxpayers support Amtrak's National Network in part because we want these towns to thrive and their citizens to have access to jobs and mobility. We all need the economy to grow and be strong.

- If the 2018 plan to break up the **Southwest Chief** with a bus-bridge had gone through, 32 universities would have lost train service, 47 hospitals would have lost train service, and 130,000 auto trips would've been added on to roads four times more dangerous than the national average—for a stretch of rural and small communities in Kansas, Colorado and New Mexico with the lowest median income across the entire corridor.
- A study done by Transportation for America and the Southern Rail Commission found that **restoring passenger rail between Mobile and New Orleans would produce \$216 million** in annual economic benefits for Mississippi, Louisiana and Alabama.

For more information, please visit RailPassengers.org/Leg.Resources