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Senators Should Derail Mississippi's "Railroad to Nowhere"

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In February, President George W. Bush proposed \$92 billion in supplemental spending to fund ongoing operations in Iraq and Afghanistan as well as Gulf Coast reconstruction. Disappointing those seeking fiscal responsibility from Congress, the House passed legislation containing these expenditures without offsetting the cost by cutting less important spending elsewhere in the budget. And now the Senate Appropriations Committee has added \$14 billion in new spending to its version of the bill—much of it totally unrelated to the war or Gulf Coast reconstruction. Senators attached \$700 million to reroute a railroad to facilitate casino development in Mississippi, \$4 billion for a farm bailout even as the farm economy booms, \$594 million in additional highway spending (on the heels of last year's \$286 billion highway bill), \$1.1 billion for the fisheries industry, \$2.3 billion to combat avian flu (on the heels of \$3.8 billion appropriated last December), an additional \$20 million more for poorly managed AmeriCorps program, and other increases. As the bill moves to the floor, senators are threatening to add billions more for milk subsidies, veterans' health care, and the Army Corps of Engineers. All told, Senators may exceed the President's spending level by \$25 billion.¹ Senators should reject all of these wasteful items, and the President should make clear that he will veto the bill if the Senate is unable to muster a modicum of fiscal responsibility.

The bill has sparked a firestorm of criticism

from fiscal conservatives and increasing skepticism from the press. Much of this has focused on a \$700 million earmark backed by Senators Trent Lott (R-MS) and Thad Cochran (R-MS) for Mississippi's "Railroad to Nowhere." In terms of sheer profligacy, this earmark far exceeds even Alaska's infamous "Bridge to Nowhere." In comparison to the train's \$700 million price tag, the \$220 proposed for the Alaska bridge is less than a third the price of the Lott/Cochran earmark. And although the bridge's purpose and benefits were questionable, details of the project were clear and fully disclosed, and lawmakers and citizens could judge it on its merits, or lack thereof.

The "Railroad to Nowhere" proposal, in contrast, is anything but clear and straightforward, and contradictory details about its motivation and implementation continue to leak out from Mississippi. Mississippi's senators contend that the proposal is intended to improve rail safety, but as *The Washington Post* has reported, similar safety issues exist nationwide and "Mississippi's rail-accident rate from 2001 to 2005 reached a 30-year low."² In a series of on-site discussions between one of the authors of this paper (Utt) and Mississippi business and polit-

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ical leaders, the issue of safety never arose. Rather, local leaders considered the proposal's purpose to be removing noisy and disruptive freight trains from a region that is ripe for extensive redevelopment as a New Urbanist fusion of Miami Beach condominiums and Las Vegas casinos. As they described the plan, the freight trains would be rerouted to existing tracks several miles north and the CSX line and right of way would be reused for light rail that would whisk gamblers and tourists from the new hotels to the new casinos, the new golf courses, and the new restaurants that will soon be built along the coast.³ In effect, the freight line rearrangement would be a component of one of the largest real estate deals in the nation.

Under the circumstances, it is not clear what purpose the \$700 million sought from federal taxpayers would serve. Would it compensate CSX for its valuable right of way, the property it will be giving up, and the nearly \$300 million that it spent to repair the line following Hurricane Katrina? Would part of the proposed funding go to construct the new light rail system, or would that be part of a future federal earmark? Whatever they intend, Mississippi's senators owe their colleagues and American taxpayers a detailed explanation of how this extraordinary sum of money—it would be the largest earmark in American history, according to a report by the *Christian Science Monitor*⁴—would be spent.

Senators Lott and Cochran say this planned development is a once-in-a-lifetime opportunity to lift the incomes and improve economic opportunities of the citizens of Mississippi. They note correctly that Mississippi lags the rest of the

nation in virtually every quality-of-life measure and is the poorest state in the union. While their concern for their constituents' well-being is appropriate, the rest of the nation's taxpayers still should not finance a massive real estate deal that may do little for Mississippi's poor and is certain only to benefit private developers and casino operators. If the redevelopment opportunity is as promising as the Senators and Mississippi Governor Haley Barbour say, then the government of Mississippi and the cities and counties along the coast should create a unified redevelopment authority that would borrow to pay for new transportation infrastructure and service that debt with a portion of the new revenues that they believe the development will generate.

But not all in Mississippi are convinced of the value of the proposed project. CSX, despite the payout it would likely receive, seems cool to the idea. Said spokesman Gary Sease: "We rebuilt that line across the Gulf Coast as quickly as possible because it's a critical artery for us. It serves our purposes. It meets our customers' needs. There's absolutely nothing wrong with it."⁵ Mississippi Governor Haley Barbour's Commission on Recovery, Rebuilding, and Renewal examined this project last December and concluded, "That idea is no longer seen as practical" because of the steep cost.⁶

Federal taxpayers should not be forced to spend \$700 million to reroute a working rail line—especially one that just received \$300 million in repairs—to make room for casino development. This extravagant expenditure is an insult to those wanting to rebuild homes and schools destroyed by

1. Brian M. Riedl and Alison Acosta Fraser "The Senate's Deadly Sin: Larding Up Emergency Appropriations," Heritage Foundation *WebMemo* No. 1038, April 17, 2006, at <http://www.heritage.org/Research/Budget/wm1038.cfm>.
2. Jonathan Weisman, "Mississippi Senators' Rail Plan Challenged," *The Washington Post*, April 18, 2006, p. A1, at <http://www.washingtonpost.com/wp-dyn/content/article/2006/04/17/AR2006041701551.html>.
3. Google Maps shows multiple views of the rail line. See, e.g., <http://maps.google.com/?ll=30.310579,-89.270868&spn=0.016264,0.028925>.
4. Gail Russell Chaddock, "Flap over pet projects roils GOP," *Christian Science Monitor*, April 19, 2006, at http://news.yahoo.com/s/csm/20060419/ts_csm/arailnowhere_1.
5. Andrew Taylor, "Mississippi Lawmakers Advance State Project," Associated Press, April 4, 2006, at <http://www.washingtonpost.com/wp-dyn/content/article/2006/04/04/AR2006040401512.html>.
6. "After Katrina: Building Back Better Than Ever," Governor's Commission on Recovery, Rebuilding, and Renewal, December 31, 2005, pp. 29-30, at http://www.mississippirenewal.com/documents/Governors_Commission_Report.pdf.

Hurricane Katrina. Senators should remove this provision from the supplemental legislation, and if they do not, President Bush should draw a line in the sand declaring this special interest addition to an emergency bill unacceptable.

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