



CELEBRATING 150 YEARS OF MOVING BUSINESS FORWARD

January 16, 2023

To: Council Member Andrew Johnson, Northern Lights Express Alliance - Chair

Re: Passenger Rail Proposal

**Northern Lights Express Higher Speed Rail is Good Business for All of Minnesota**

The pending Northern Lights Express (NLX) higher speed passenger rail project from Duluth to the Twin Cities provides Governor Walz and legislators with a golden opportunity to partner with the federal government to revitalize Minnesota's rail service, create thousands of good paying jobs, and connect businesses and consumers throughout the state.

The numbers add up. Out of Minnesota's \$9 billion budget surplus, the state would put \$85 million on the table. If the U.S. Department of Transportation approves the project, the federal government would lay out up to \$340 million. Substantial safety improvements would happen to 152 miles of existing tracks and road crossings between the Twin Cities and Duluth. Now that's a return on investment!

The governor and legislators need to move quickly to approve the \$85 million and get the proposal to Washington. Competition is fierce for these funds, appropriated by Congress under the bi-partisan Infrastructure Investment and Jobs Act of 2021. If Minnesota doesn't act quickly, another state will reap the rewards. If we don't act quickly, our taxpayers will effectively be subsidizing inter-city passenger rail in another state.

Ever since pre-Civil War days, Minnesota's business community – from Virginia to Duluth to the Twin Cities, Winona, Mankato, St. Cloud, Austin-Albert Lea, and everywhere in between – has grown and prospered on the broad shoulders of our state's railroads.

By 1900, there were some 175 rail lines of various lengths affordably connecting almost every Minnesota community of any size. Karlstad to Halma and back would set you back a dime. Same with Red Wing to Goodhue. Climb on the Soo Line in St. Paul in the evening and for less than the cost of breakfast you could be in Thief River Falls, Lake Bronson, or even Winnipeg before sunrise.

Railroad mergers, branch line abandonments and, most notably, the automobile eroded those services. But things are changing all over the world. China and Europe have been building and using high speed rail for a generation. Here in America, you can board a higher speed train in Washington D.C. and be in New York in a little over two hours. What a boon for business development.

Now Minnesota needs to catch up and get with the program. NLX is ready to build.

With NLX, the Twin Cities to Duluth trip becomes easy and affordable in just under 2 1/2 hours. Businesspeople from the Iron Range and Duluth could travel quickly and efficiently year-round. Think of what that would mean for military veterans from across Northeastern Minnesota visiting the VA Hospital in Minneapolis for treatment. It's a game changer for students, seniors, sports fans, those with disabilities, and folks looking for a weekend or a night out in the Twin Cities or Duluth.

Just think of how this rail line can connect workers in Coon Rapids, Cambridge, and Hinckley with the Twin Cities.

And as Minnesota looks to reduce our carbon footprint, Northern Lights Express would reduce the number of cars going up and down Interstate 35 and state highway 65 by thousands.

In short, there is everything to like about this opportunity to push NLX over the finish line. Governor Walz and legislators – let's get on board and get going!

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Baumgartner', written over a white background.

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