



May 20, 2025

To: Joint Committee on Finance  
Wisconsin Legislature

From: Eau Claire Area Chamber of Commerce  
Scott Rogers, Vice President Governmental Affairs  
rogers@eauclairechamber.org 715-858-0616

Re: Passenger rail in the 2025-27 State Budget

The Eau Claire Area Chamber of Commerce has served our community since 1915 as the advocate of business. We have over 1,000 investor organizations who employ more than 45,000 individuals throughout the Eau Claire area. We work to represent the business community as a champion of a strong local and regional economy.

Last week, we provided a letter covering our full list of economic issues related to the 2025-27 State Budget. This letter specifically addresses the value of maintaining, enhancing, and expanding passenger rail service for the state and specifically for the West Central Wisconsin region.

Thanks to the Bipartisan Infrastructure Law -- and the public's positive response to service improvements like the new *Borealis* train between Chicago, Milwaukee, La Crosse and the Twin Cities -- now is a rare, timely opportunity to carefully consider how providing service to more Wisconsin urban and rural communities could provide valuable economic and mobility benefits to the state.

We strongly encourage the Joint Committee on Finance to include the appropriate funding in the State Budget to achieve the following:

- Move all of the current Wisconsin Corridor ID studies forward to Step 2, Service Development Plans, with the required 10% non-federal match to access 90% federal funding. This includes the four WisDOT-sponsored corridors (Chicago-Milwaukee, Milwaukee-La Crosse-Twin Cities, Milwaukee-Fox Valley-Green Bay, and Milwaukee-Madison-Eau Claire-Twin Cities) and the Eau Claire-Twin Cities corridor. The latter, sponsored by the Chippewa-St. Croix Rail Commission, would pilot innovations that could enhance the cost-effectiveness, reliability, and economic development potential of passenger train services in the state.
- It may be appropriate for the state to participate in two other Corridor ID studies, the Twin Cities-Superior-Duluth corridor sponsored by MnDOT and the Chicago-Milwaukee-Twin Cities-North Dakota-Montana-West Coast long-distance route sponsored by the Big Sky Rail Authority.
- Continue and enhance the state's existing passenger rail program:
  - Maintain the popular Chicago-Milwaukee *Hiawatha* trains.
  - Continue the Chicago-Milwaukee-La Crosse-Twin Cities *Borealis* train.
  - Complete various capital improvement projects currently underway or committed to provide for an 8th daily *Hiawatha* train frequency and benefit the *Borealis*.
  - Establish dedicated shuttle services from the new *Borealis* to connect with the Chippewa Valley from Tomah and Madison from Columbus, which were promised in the initial plan for the service.

We presume WisDOT can provide more specific information about funding levels that would provide for

implementing these services and initiatives. We do know that the Governor proposed about \$12.4 million for FY 26 and \$17.4 million for FY 27, which may be in the ballpark. We are aware that the non-federal match for the Eau Claire-Twin Cities corridor Step 2 comprehensive Service Development Plan proposed by the Chippewa-St. Croix Rail Commission is likely to be around \$390,000. Given the benefits in context of the state's total transportation budget, these would be reasonable investments for the statewide benefits provided.

Expanding further on these concepts, we believe it would be wise at this time to continue to enhance the current passenger rail program and undertake the studies necessary to determine the feasibility and economic benefits of its expansion to more cities and communities.

- The **Step 1 Scoping** studies for all of the corridors currently underway are nearing completion this year. These were 100% federally funded.
- **Step 2, the Service Development Plan**, is the comprehensive next step study needed to look at potential ridership, revenues, operating frequency, equipment, station locations, capital investment, operating costs, and ROI. Taking advantage of 90% federal funding requires a 10% non-federal match. This is likely about a two-year process. Upon completion, the state and other sponsors can determine whether to move forward with continued investments.
- **Eau Claire-Twin Cities corridor innovations.** The Eau Claire-Twin Cities regional corridor proposed by the Chippewa-St. Croix Rail Commission envisions piloting the following innovations:
  - **Competitive operator selection.** The corridor would conduct a competitive process to select the train operator, not just assuming operation would be handled by Amtrak. AIPRO, the trade association of contract passenger train operators, indicates its members are very interested in bidding to provide cost-effectiveness and transparency by the selected operator. Amtrak could certainly also bid on the service.
  - **Direct Access Model** for securing trackage use on the host railroad, Union Pacific. Under this scenario, the sponsor would provide a market rate fee for access to existing track capacity, with a reduced requirement for up front capital to facilitate passenger train operations.
  - **Transportation Oriented Development.** With a reasonable frequency of train operations, the service would generate sufficient economic activity around station sites to facilitate value capture opportunities and enhance economic development potential for local communities.

As these innovations are implemented, they will provide potential insights and opportunities that could be applied more widely to the state's passenger rail program.

- **Experiences showing economic value:** In addition to Wisconsin's positive experience with the *Hiawatha* and *Borealis* trains, other Midwest examples confirming the economic value of passenger trains include:
  - **Missouri DOT:** A comprehensive study undertaken by the State of Missouri of its annual investment in Amtrak service between St. Louis, Jefferson City, and Kansas City found that the passenger activity created by the train service generated more than \$22 million in annual tax revenues and \$208 million in annual economic activity, far beyond the annual cost of supporting the service: [Economic impact of Amtrak's Missouri River Runner Service](#) (Missouri DOT)
  - **Normal/Bloomington, Illinois:** This midsized city with a state university has seen over \$200 million in downtown economic development after improvements to its station and surrounding area. [Creating the new Normal: How trains transformed one Midwestern town](#) (HSR Alliance)

It has been a long-term goal of the Eau Claire Chamber, along with business and community leaders in our region, to establish passenger rail service to Eau Claire, Menomonie, and Hudson as part of our overall economic development strategy. Our Business Issues Agenda includes the following as part of Transportation and Infrastructure:

**Expand passenger rail service to the Chippewa Valley and other major state cities.** We support the expansion of passenger rail service in high-potential Wisconsin corridors as a needed and worthwhile investment for the economic future of our state. The Chicago-Milwaukee Hiawatha train service has been

one of the most successful services in the country, and similar benefits should be provided to other major state economic centers. Frequent service to more cities will help attract and retain business and the talent critical to its success; provide a convenient, economical, and environmentally-friendly alternative to driving; accelerate economic growth opportunities; improve quality of life; increase tourism; and add resiliency to our transportation system.

We believe this is the year to move forward with these investments. We would be glad to discuss any of these issues further.

Sincerely,



Scott Rogers  
Vice President Governmental Affairs  
Eau Claire Area Chamber of Commerce

Reply to: [rogers@eauclairechamber.org](mailto:rogers@eauclairechamber.org) 715-858-0616