

Q and A about passenger rail in Minnesota

Question 1. Would a second passenger train between Saint Paul and Fargo (TC to Fargo) be a good investment?

Answer. This is a good corridor for a state supported train that would supplement Amtrak's long distance Empire Builder. Here is why:

- A passenger train in this corridor would stop in more cities than the Empire Builder and operate on a daytime schedule rather than the overnight hours.
- The corridor connects the Twin Cities metro region (population 3.7 million) with the Saint Cloud Metro area (population 206k) and the Fargo Moorhead area (population 268k). A MnDOT report from 2025 estimates annual ridership of 220k.⁽⁶⁾
- This corridor has a great number of colleges and universities. Students ride trains in high numbers.
- This corridor is nearly almost double tracked and has the Centralized Traffic Control (CTC) and Positive Traffic Control (PTC) equipment required to run passenger rail service. It has stations already in place in many of the cities.

Question 2. Would a new train between the Twin Cities and Kansas City be a good investment?

Answer. This is a good corridor for a state supported train that could connect cities in Minnesota, Iowa, and Missouri. Here is why:

- The corridor connects the TC Metro region (population 3.7 million) with cities along the 35W corridor in MN with Des Moines, IA, (pop. 740,000), Kansas City region (pop. 2.2 million).
- It has one of greatest ridership potentials of passenger rail routes in the Midwest, estimated at over 190,000 riders per year.⁽⁷⁾
- It would connect Minnesota to Amtrak routes that serve Denver, San Francisco, Phoenix, Los Angeles and many stops in between.
- This route is owned by a Class 1 railroad and has CTC but would need to be upgraded for PTC for 79 mph passenger rail service.

Question 3. Will passenger rail projects ever make money or even cover their costs?

Answer. Passenger rail in the US is only able to cover a percentage of operating costs. Government covers the remainder. This is no different than airlines, roads, and parking.

- A quarter of the **federal support for transportation** - \$26.7 billion in FY2024 – comes from general US tax revenues not the gas tax.⁽¹⁾
- The **Federal Aviation Administration's** FY2025 budget of \$38.5 billion included \$8.85 billion from the US general fund.⁽²⁾ One of the FAA's funded programs, the Essential Air Service Program provides a subsidy for small airports including five in Minnesota.
- **Local roads** – Cities, counties, and townships spent \$2.3 billion in property taxes and assessments on the cost of local roads in FY2022. These are non-transportation derived revenue streams. The MN legislature also allocates general funding or general obligation bonding for local roads (\$133 million in 2023).⁽³⁾
- **Parking** is subsidized almost everywhere – a hidden tax on almost all goods and services.⁽⁴⁾

Question 4. Is the Trump Administration supportive of passenger rail?

Answer. The signs are mostly positive that both long-distance and state-supported trains are a priority for the Administration. The Administration is highlighting the new state-supported Borealis and the Mardi Gras service in Louisiana and Alabama. Secretary of Transportation, Sean Duffy, has celebrated the launch of the new Airo trains, and has prioritized the reconstruction of Penn Station in New York and the rehabilitation of Union Station in Washington DC. The Administration may have an increased focus on allowing private sector operators like Brightline in Florida to operate passenger rail service in the US.

Question 5. Given what happened with Northstar rail in Minnesota, why would the state of Minnesota want to invest in another rail project?

Answer. No money is needed in 2026/7 to begin a Phase I study of TC to Fargo or TC to Kansas City. Northstar commuter rail was managed by the Metropolitan Council and operated by crew members from BNSF Railway. It served the Monday to Friday AM and PM commute to/from downtown Minneapolis. Ridership crashed during the COVID-19 pandemic and did not rebound, in part due to the continued weakness of the job market in downtown Minneapolis. The widening of the I-94 corridor into downtown Minneapolis may also have played a role in reducing ridership.

Question 6. What is the status of the Northern Lights Express between Duluth and Minneapolis?

Answer. The project is in Phase I planning and evaluation in the Federal Railroad Administration's Corridor Identification and Development program. The Minnesota Department of Transportation is overseeing planning and is waiting for approval to move into Phase 2 of the federal planning process.⁽⁵⁾ The 10 percent state match needed for phase 2 was authorized previously by the Minnesota Legislature.

Footnotes:

(1) Eno Center for Transportation. [CBO Says Next Bill Needs to Fill \\$40B/Yr. Highway Trust Fund Deficits - The Eno Center for Transportation](#)

(2) Federal Aviation Administration Agency Annual Report for Fiscal Year 2025, page 26-27. https://www.faa.gov/about/office_org/headquarters_offices/afn/offices/finance/offices/financial_management/ar/fy25-faa-agency-financial-report.pdf And Essential Air Service <https://www.transportation.gov/policy/aviation-policy/small-community-rural-air-service/essential-air-service>

(3) University of Minnesota, Transportation Policy and Economic Competitiveness Program, Mn Roadway Funding – Revenue Sources and Distribution, January, 2025; State of MN 2023 bonding bill: <https://assets.senate.mn/fiscalpol/tracking/2023/HF669-670-Final-5-22-23.pdf>

(4) Shoup, Donald. The High Cost of Free Parking, 2005. American Planning Association. Pages 205 – 223.

(5) https://railroads.dot.gov/sites/fra.dot.gov/files/2025-11/CID-Obligation-Status-Report_11.07.2025.pdf

(6) MnDOT Twin Cities to Fargo Moorhead Corridor Study, 2025, page 14.

(7) All Aboard Minnesota, Twin Cities-Des Moines – Kansas City Route Study, 2022.