

\$30 BILLION GATEWAY GIVEWAY

What is it?

The Gateway project is a \$29.5 billion tunnel, bridge and infrastructure upgrade led by Amtrak to improve passenger rail service between Newark and New York City. The announced cost in 2011 was \$13.5 billion. There are nine individual projects included in Gateway, with the largest being the construction of a tunnel underneath the Hudson River, which was initially costed at \$7.7 billion, an estimate which has since grown to \$13.6 billion.

“The states involved are putting up **zero percent** of the money, and demanding the federal taxpayer pay for the entire \$30 billion project. North Carolina taxpayers and taxpayers around the country shouldn’t be forced to write a **blank check** because of **irresponsible state officials.**”

Five Facts

1. Gateway is the largest federal rail infrastructure boondoggle ever, eclipsing the federal commitments for both California High Speed Rail and the Big Dig.¹
2. New York City is the most expensive rail infrastructure construction environment in the world. Subway construction in NYC can cost as much as seven times as construction in other comparable cities.²
3. The initial estimate for Gateway was \$13.5 billion in 2011. It is now at \$29.5 billion, without beginning any major construction.³
4. For this “vital” project, the states have put up zero percent of the money for the Hudson Tunnel and five percent of the money for the Portal North Bridge.⁴
5. If the \$900 million stays in the Omnibus, we will have seen one of the largest earmarks ever, more than 200 times the average earmark size.⁵

¹The Big Dig cost [\\$22 billion](#) on a \$7.36 billion initial estimate (2018 dollars). California High Speed Rail’s federal share was estimated to be approximately [\\$12 billion](#) at the time of the 2008 referendum. Gateway is slated to cost [\\$29.5 billion](#) and major construction work is yet to begin.

²Expose on cost of NYC subway construction in [New York Times](#), “The Most Expensive Mile of Subway Track in the World.”

³ Archived Amtrak FY12 [budget request](#) and Eno Center for [Transportation Article](#), “USDOT Pulls Out of Gateway Program As Hudson Tunnel Cost Balloons to \$13B.”

⁴ Secretary Chao testimony in front of T&I Committee, March 6

⁵ “Earmarks in the [Federal Budget Process](#)” Harvard University