

EXECUTIVE SUMMARY

INTRODUCTION

The Kentucky Transportation Cabinet (KYTC) has developed this Kentucky Statewide Rail Plan (SRP) to guide the commonwealth's freight and passenger rail planning activities and project development plans over the next 20 years.

This SRP describes the commonwealth's existing rail network and rail-related economic and socioeconomic impacts. It also describes the SRP process, Kentucky's rail vision and supporting goals, proposed short- and long-range capital improvements, and related studies. This SRP is intended to meet the requirements established by the federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA), as amended by the Fixing America's Surface Transportation Act of 2015 (FAST Act). The 2025 SRP provides an updated state vision for rail transportation to the year 2045 and strategies to achieve that vision.

STATE RAIL PLAN VISION AND GOALS

The KYTC developed the following vision statement for rail transportation in the commonwealth:

Kentucky's State Rail Plan Vision is to support and work with rail carriers to provide a safe, reliable, efficient, and effective rail transportation system for the movement of passengers and freight within the commonwealth, as well as to connect Kentucky to domestic and international markets.

The Kentucky SRP vision is supported by the following goals and objectives:

Goal #1 – Support the Preservation and Enhancement of the Network

- Objective 1.1 – Support service preservation or rail right-of-way where it serves the public interest
- Objective 1.2 – Identify funding to preserve and enhance the existing network

Goal #2 – Promote Rail System Safety and Reliability

- Objective 2.1 – Support rail safety programs, including grade-crossing safety programs
- Objective 2.2 – Identify and fund grade crossing safety enhancements

Goal #3 – Facilitate Economic Development and Connectivity

- Objective 3.1 – Promote rail and intermodal connectivity through communication, planning, and funding
- Objective 3.2 – Support economic development efforts related to rail served sites and businesses

Goal #4 – Encourage Communication Between Railroads, Customers, and Public Agencies

- Objective 4.1 – Involve and share information with the railroads regarding planning initiatives
- Objective 4.2 – Continue to facilitate interagency and rail coordination activities and meetings

KENTUCKY'S RAIL SYSTEM

Kentucky's rail system plays an essential role in linking the commonwealth's key industries with markets throughout North America. The agriculture, automotive, chemical, coal, and manufacturing industries are particularly dependent on rail for their freight transportation needs. Although Amtrak's long-distance passenger rail services in the commonwealth are limited, Amtrak provides essential transportation services for Kentuckians.

Freight Rail System

The Kentucky freight rail system, as shown in **Figure ES-1**, is operated by five Class I railroads, one Class II regional railroad, and 12 Class III or short line railroads. The system consists of approximately 2,800 total active rail miles in 2025.

In 2021, Kentucky's freight railroads carried close to 200 million tons of freight, or over 3.5 million railcars, which either originated and/or terminated within or traveled through the commonwealth. The leading commodity group originating in Kentucky by tonnage is coal, followed by transportation equipment then by chemicals or allied products. For inbound and intrastate movements, the top commodities by tonnage included coal, chemical or allied products, and petroleum or coal products.

Total rail freight flows in Kentucky are forecasted to increase through 2045 at a rate of one percent per year.

Passenger Rail Service

Two long-distance Amtrak trains serve the commonwealth. There is currently no commuter or intercity corridor service provided in Kentucky, either by Amtrak or by other operators. There are four recreational or heritage railroads offering excursion trips.

Amtrak operates entirely over the trackage of the Class I freight railroads CSX and Canadian National (CN). The two long-distance trains are:

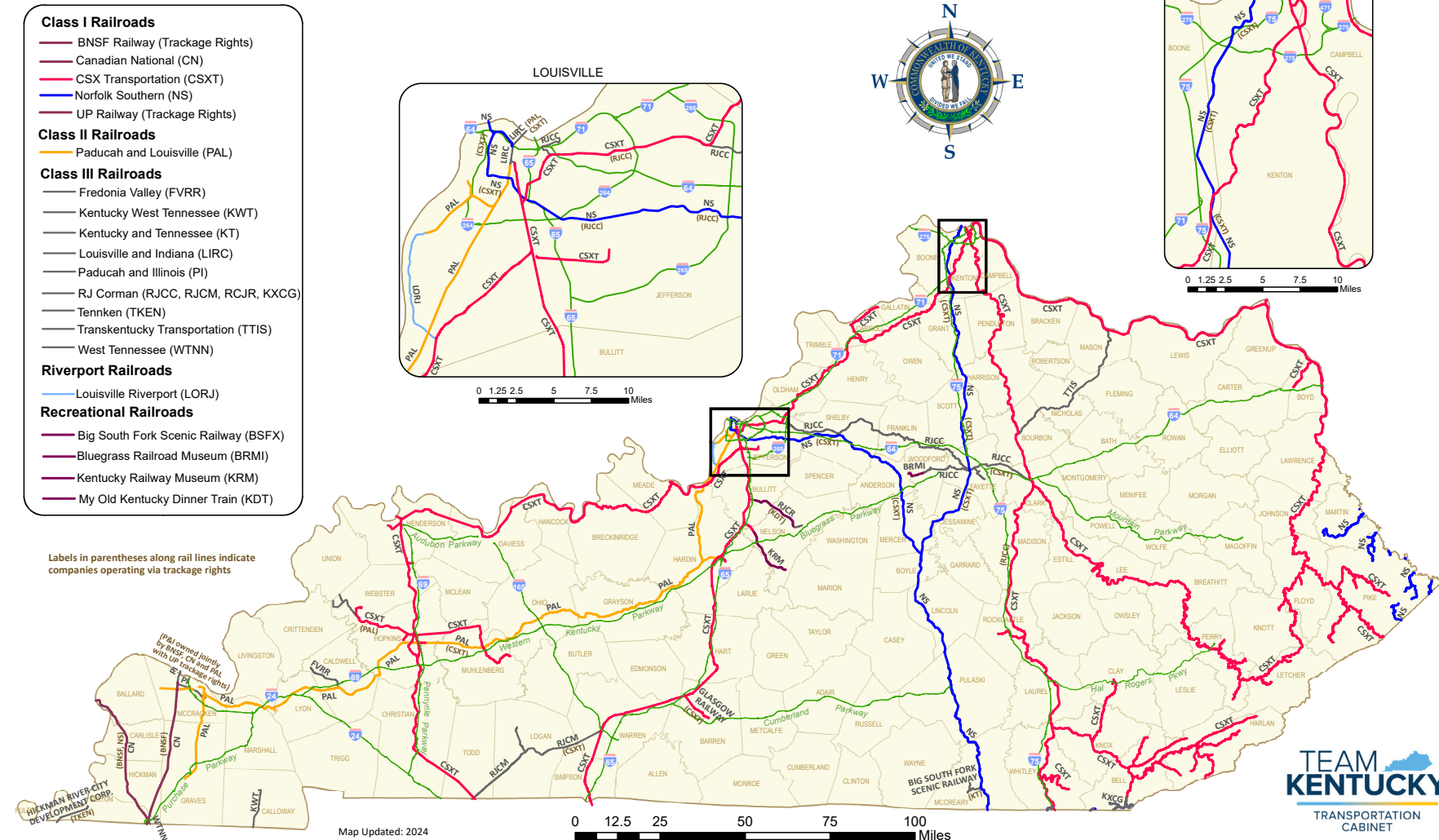
- The Cardinal, which operates three days per week between Chicago and New York City, with local stops in Maysville, South Shore-South Portsmouth, and Ashland.
- The City of New Orleans, which operates daily between Chicago and New Orleans and serves Fulton.

Nearly 9,000 passengers boarded and alighted at the four Kentucky Amtrak Stations in 2023. Of these, more than 4,000 boardings and alightings were at the Fulton Station.

Figure ES-2 shows the two Amtrak long-distance train routes, four Amtrak passenger rail stations, and four tourist railroads in Kentucky.

Figure ES-1. Active Rail Lines in Kentucky

KENTUCKY ACTIVE RAIL LINES



Source: Kentucky Transportation Cabinet, 2024

Figure ES-2. Passenger Rail Lines in Kentucky

KENTUCKY PASSENGER RAIL LINES



Source: Kentucky Transportation Cabinet, 2024

RAIL IMPACTS

Rail service is vital to Kentucky's economy. Freight and passenger rail service directly generates 2,229 jobs. However, when rail freight shipper and rail passenger visitor user impact activities and multiplier impacts are included, rail-related employment in Kentucky totals 129,953 jobs, which represents nearly eight percent of the 1.6 million jobs in the commonwealth. These jobs resulted in \$7.7 billion earned by employees, representing 9.6% of Kentucky's total labor income. A combined value-added impact of \$17.2 billion is associated with rail services and users, representing seven percent of the commonwealth's Gross State Product (GSP).

In addition to direct employment benefits, the availability of rail transport provides cost and logistical advantages that enable businesses in Kentucky to compete effectively in the global marketplace. Railroads are nearly four times more fuel efficient than trucks on the basis of ton-miles transported. The diversion of freight traffic to rail also increases the safety of Kentucky's highway system and reduces wear on highway infrastructure.

Amtrak long-distance passenger rail service connects the commonwealth to major urban areas in the Midwest and the South, supplementing passenger air travel. Passenger rail travel generates income not only for rail operators, but also for restaurants, hotels, and other service establishments within station areas.

RAILROAD FUNDING IN KENTUCKY

There is currently no dedicated source of consistent state funding for rail projects. Any rail funding provided by the state originates from the Kentucky General Fund and competes against other statewide needs. There are various federal grant programs available to fund rail infrastructure projects.

Signed into law in 2021, the Infrastructure Investment and Jobs Act (IIJA), established more than \$1.2 trillion in US infrastructure investments and established significant programs and policies to guide the development of infrastructure improvements. The IIJA significantly increased authorizations, and in some instances provided advance appropriations, for existing discretionary programs that fund freight rail projects, both for those programs administered by the Office of Multimodal Freight Infrastructure and by the Federal Rail Administration.

PROPOSED RAIL IMPROVEMENTS AND INVESTMENTS

The commonwealth's prioritization of projects for future investment is informed by targeted stakeholder outreach to identify project opportunities, the status of existing assets, and current trends and forecasts. The rail project inventory in this SRP lists projects in terms of funded projects that are currently in progress and stakeholder proposed projects that do not yet have funding identified but may potentially be initiated within the next 20 years as funding is secured. The SRP categorizes specific needs and associated opportunities and identifies the policies, programs, strategies, and funding necessary to achieve the State's Rail Vision.

The sum of the estimated total project costs for each of the projects within the current funded program

of projects for which estimated total project costs are known at this time exceeds \$149 million. Total funding for the currently funded program includes over \$97 million in federal investment, over \$43 million in private investment, and \$7.50 million in grants from the commonwealth.

The sum of the estimated total project costs for each of the projects within the current unfunded program of future projects for which estimated total project costs are known at this time exceeds \$4.3 million.

Project funding sources for future projects, inclusive of federal, state, local, and private or other non-federal funding, will be determined as funding opportunities are made available in order to optimize overall funding leverage and to maximize public benefit.

RAIL PLAN DEVELOPMENT PROCESS

This SRP was developed under the authority and guidance of the KYTC Modal Programs Branch within the Division of Planning. The Modal Programs Branch is responsible for rail planning, including conducting passenger rail studies and administering federal rail funding programs.

The KYTC actively engaged stakeholders throughout the SRP update process. Key stakeholders included all railroads operating within the state, as well as rail shippers. Other stakeholders included local, regional, and state government staff, elected officials, economic development agencies, special interest and advocacy groups, and the public. Stakeholders participated in freight and passenger rail planning activities, helping identify freight and passenger rail priorities and goals for Kentucky and identifying needs, issues, and potential future rail investments to achieve improved freight and passenger rail service.

Stakeholder engagement activities included:

- Individualized interview discussions with key project staff and advisors.
- Three in-person public open house meetings at locations throughout the state. Meetings were widely promoted via press release, an email list, and social media posts. Attendees included rail shippers, economic development agencies, local government staff, elected officials, special interest and advocacy groups, and other interested members of the public.
- A detailed online survey offering stakeholders the opportunity to provide input on passenger and freight rail service in Kentucky.
- A virtual stakeholder meeting for railroad representatives to review the initial findings of the Draft SRP. The draft results from Chapters 1 and 2 of the SRP were presented, and the stakeholders were provided an opportunity to comment on the document.
- A virtual stakeholder meeting held in early 2025 in conjunction with a Kentuckians for Better Transportation (KBT) Rail Committee meeting. During the meeting, the Draft SRP chapters were presented, and stakeholders were given an opportunity to comment.
- A virtual presentation to the Kentucky Association of Manufacturers (KAM) that included all chapters of the SRP.
- A virtual open house presenting the Draft SRP chapters and providing information about

the Rail Plan through a question-and-answer session. The virtual open house was promoted through a press release, social media posts, and on the SRP website, and questions for the question-and-answer session were solicited from the public. The Draft SRP chapters were also uploaded to the SRP website, where comments were accepted via a virtual comment form.

The KYTC solicited input throughout the SRP process via the project website and through ongoing contact with stakeholders who participated in earlier phases of engagement.

KEY STAKEHOLDER INPUT ON RAIL ISSUES, CHALLENGES, AND OPPORTUNITIES

Key stakeholders provided input throughout the SRP process on multiple issues related to rail in Kentucky. Listed below are key themes identified during stakeholder outreach activities:

- Railroads would find it helpful if Kentucky offered financial assistance to short line railroads, similar to what the adjacent states of Tennessee and Ohio provide. (Note: beyond this suggestion, railroads had limited requests for state government changes to help their operations.)
- A significant challenge facing many shippers is the reduction in service frequency and reliability of Class I railroads.
- Shippers desire to increase their use of rail shipping but are constrained by a combination of infrastructure and rail service availability.

Most of the public comments received were related to passenger rail service. Key input includes the following:

- Amtrak users commented that more frequent or better-timed service would increase ridership.
- Improvements are needed to the existing Amtrak station in Fulton, Kentucky.
- There is a desire for new passenger rail service to numerous regional destinations.
- There is a desire for new commuter rail service within Kentucky.

CONCLUSION

The KYTC has undertaken a comprehensive study of its freight rail network and has identified key issues and opportunities through a wide-ranging rail stakeholder and public outreach process. This SRP serves to document this information and establish a direction for future rail planning and project development while meeting the federal requirements to qualify potential projects in the commonwealth for any future federal rail funding opportunities.

The development of this SRP would not have been possible without the participation of key rail stakeholders and interested members of the public. The KYTC expresses gratitude to all individuals and organizations that participated in this effort.