Introduction

2018 was a strong year for the Association, including a record increase in new members (80). Volunteer committees provided leadership toward industry goals, and programs implemented in the last several years continued to grow. Attendance at key events including Railroad Day on the Hill and the CONNECTIONS Convention were near record-breaking.

ASLRRA staff, with the assistance of the Board and particularly of ASLRRA Chair Judy Petry, worked for the back half of the year without a President following the departure of Linda Bauer Darr in July, 2018.

In 2019, ASLRRA will continue to evaluate all resources to ensure that they are dedicated to programs and services that best serve the membership, while seeking to develop new programs and offerings that address the changing needs of our industry.

Legislative Action

The Legislative Policy Committee continued to lead the way in developing and implementing ASLRRA legislative priorities. Staffing support was provided both internally within the ASLRRA and by longstanding lobbying partners at Chambers, Conlon & Hartwell.

In February, the industry was successful in achieving a retroactive extension of the Short Line Tax Credit (45G) through December 31, 2017, and ASLRRA pivoted immediately to supporting permanence of the Tax Credit.

To that end, ASLRRA had two significant opportunities in March to testify on behalf of 45G and its impact. Judy Petry of Farmrail System, Inc. and Chair of ASLRRA testified before the House Ways & Means Committee and Jo Strang, SVP of Safety and Regulatory Policy, ASLRRA testified before the Senate Commerce Committee.

The House Ways & Means Committee spent much of the year discussing the possibility of making some tax extender provisions permanent while letting others expire. In November and December, legislative text finally emerged and passed the House that did in fact propose making the short line 45G tax credit permanent, but with the mid-term elections that flipped control of the House having just taken place and little bipartisan appetite left in Congress to address taxes, that tax proposal died. At the end of the year, 45G remained expired with no identified path forward.

In the newly formed 116th Congress, the BRACE Act was reintroduced in the House (HR 510) and the Senate (S203). The extension and eventual permanence of 45G will continue to be the ASLRRA’s primary legislative priority in 2019.

Truck Size and Weight is another government affairs priority area, as railroads continue to be part of a large and diverse coalition of interests fighting truck size and weight increases at both state and federal
levels. Whether those proposals are one-off state exemptions, or commodity specific, or voluntary pilot programs or national mandates, ASLRRA will work with willing partners in safety, law enforcement, rail, trucking, and labor fields to oppose these misguided and unpopular changes. 2018 was largely a successful year on this front, as the coalition once again held off on any widespread changes.

Railroad Day on the Hill, held on March 7, 2018 was another resounding success, with 330 Congressional office visits scheduled for 500 participants representing 200 companies. For the first time, the closing reception was held at Union Station rather than a dinner at the headquarters hotels, and this change generated increased attendance from Congressional offices and overall positive feedback from participants.

**Regulatory Activity**

ASLRRA successfully resolved our court challenge to the Federal Railroad Administration’s (FRA) minimum training standards rule. ASLRRA’s Safety & Training Committee has prepared model template training programs for every part of the CFR for which training is required, allowing small railroads to train on what they actually do, versus strict craft-based programs. ASLRRA will continue to address any issues that were not resolved via the legal settlement in petition format, including a recommendation that the Training Rule be revised and suspended while it is being revised.

The FRA granted ASLRRA’s request to renew the Hours of Service waiver for an additional five-year period until February 2022. ASLRRA has petitioned the FRA to expand the current Hours of Service waiver to the hours of midnight to 6 a.m. This would take the form of a pilot project to test earlier research conducted by Dr. Patrick Sherry of the University of Denver that suggested with the adoption of appropriate fatigue remediation techniques, working these hours under the waiver presents negligible or no fatigue consequences. ASLRRA expects the Safety Board to rule on this petition in the first half of 2019.

The $2.5 million FRA Grant for Small Railroad PTC Support allowed ASLRRA to move forward in securing arrangements that would be beneficial to small business railroads as outlined in the Statement of Work between the ASLRRA and the FRA. ASLRRA has successfully negotiated terms for the development of a template master services agreement for CI-BOS equipment with Herzog and Wabtec, and with Rockwell Collins to undertake development of a safety plan template for use by small railroads. Dialogue continues toward securing PTC Training contracts and liability insurance required by Meteorcomm for PTC on behalf of ASLRRA members.

**Member Services**

ASLRRA delivered a strong suite of benefits to its members in 2018. Highlights included the Annual CONNECTIONS Convention, held in Nashville, TN, which provided 36 education breakout sessions and opportunities to interact with nearly 250 supplier members exhibiting in the Expo. More than 1750 railroad industry members attended – a near record-breaking year. Opportunities for more targeted education and focused interactions were offered at ASLRRA’s Fall Regional Meetings with in-depth FRA and Occupational Safety and Health Administration (OSHA) seminars. The General Counsel Symposium
and Finance & Administration seminar were co-located with the Central Pacific Regional Meeting in San Diego.

The Member Discount Program continued to expand with McGriff Seibels & Williams offering a new excess liability insurance program benefitting member railroads. Additionally, a non-exclusive Tier II program category was launched to include three preferred providers offering grant writing services to members in response to the increased grant activity generated by CRISI, BUILD, INFRA, RRIF and other government-funded programs.

ASLRRA’s webinar program offered solid educational content with an average of two sessions per month, and the online library of pre-recorded webinars now offers nearly 100 titles. Popular 2018 webinar topics included cyber security, strategic communications including crisis communications, media training basics, financial topics such as investment planning, and locomotive repair funding.

In 2019, expanding remote presenter capabilities to in-person meetings and capturing and recording live content for future use and distribution will be explored.

Communications

2017 was devoted to better understanding the impact of our communication tactics. In 2018, ASLRRA put that new-found understanding to work to better serve its members and more efficiently use its resources.

ASLRRA newsletters were combined, streamlined and focused to a specific target, Short Line Connector Magazine content was re-positioned to include more business impact articles, social media (Facebook and Twitter) was deployed on a regular schedule with targeted messaging, the website was refreshed to provide faster access to most-used content, and the Annual Report (for 2017) returned to a print format.

Public Relations impressions and media outreach has continued to grow. ASLRRA is now often contacted in advance of an article for perspective and content, vs. chasing a story after publication for a follow up article. Two Op-Eds were placed on 45G – one in The Hill in the fall, and one on Railroad Day 2018 in Politico. ASLRRA issued 19 releases, and additional quotes to media were provided on key issues.

Social Media has improved with the implementation of a weekly plan for communication. Facebook followers have remained steady, but ‘Likes’ have increased, meaning followers are watching and engaging. Twitter is generating over 100 new followers monthly, broadening ASLRRA’s ‘reach’ each month.

The ASLRRA website was streamlined so that less ‘clicks’ are needed to arrive at the pages our visitors use most often. With the partnership of Jerry Vest of the LPC Committee and CC&H, the Advocacy section of the website was revamped. The section is focused on three issue areas – Short Line Tax Credit, Truck Size and Weight, and Overburdensome Regulations. Within each section, there is a landing page appropriate for the public, media and Congressional staffers, with ASLRRA position papers. There is also a ‘Member Resources’ section that requires a log-in. Behind the log-in, information helpful to members for legislative activity at the local, state, or federal level and with the media is available. These items include letters of support, testimony, press releases, lists of co-sponsors of legislation, and more.
Notable Committee Highlights

Veterans Committee – the Board accepted the Committee’s recommendation to merge activity into the Human Resources Committee effective December 2018.

The Safety and Training Committee assisted in developing FRA Part 243 Minimum Training Standard Rules templates and developed the ASLRRA portion of a Leadership Development Training Program to be piloted in 2019.

The Technology Committee hosted the joint committees meeting in Annapolis, MD, where members from all ASLRRA committees were invited to discuss their areas of expertise with a broader audience.

Short Line Safety Institute (SLSI)

SLSI continued to make a significant impact on our industry, providing 64 Safety Culture Assessments to date, across all sizes of Class II and III railroads. A grant from the Pipeline and Hazardous Materials Safety Administration (PHMSA) led to the creation of a Hazmat Training Program, which held 12 training events with 49 participating railroads. In 2019, the SLSI will create a leadership development program in conjunction with ASLRRA.

Date: May/2019