Darr Calls for More Responsible Regulatory Action in *Railway Age*

In the December issue of *Railway Age* magazine, ASLRRA President Linda Bauer Darr emphasizes the importance of regulations that result in actual safety improvements instead of adding unnecessary burdens to short line and regional railroads.

Darr discusses three “one-size-fits-all-regulations” that ignore what she says are short line and regionals’ “unique operating characteristics.” The first are training rules in the Rail Safety Improvement Act of 2008, which are taxing most notably due to the amount of paperwork railroads are required to complete.

Next, Darr targets rules requiring electronically controlled pneumatic (ECP) brakes, which would have been unfairly burdensome to small railroads. The U.S. Department of Transportation (DOT) recently announced it will be repealing the rule, citing several of the reasons Darr discusses in the article.

Darr’s third point focuses on a regulation she argues “solves a non-existent problem,” namely requiring two crew members in a locomotive cab. No evidence exists that having a second crew member provides an added safety benefit, and instituting such a requirement can have serious economic consequences for small businesses.

Pointing out that the short line and regional railroad industry has, as of November 6, gone a single year without a fatality, Darr calls for sensible government regulation only when necessary, with the hope that “regulators will become a more-constructive partner” in the effort to ensure a “superior safety culture” in the railroad industry.

**ASLRRA is Accepting Submissions for 2018 Marketing Awards**

ASLRRA is now accepting submissions for the 2018 Marketing Awards competition. The entry deadline is Friday, Dec. 15. Don't miss the chance for your railroad to compete for this prestigious honor and join the distinguished circle of prior winners!

ASLRRA’s Marketing Awards competition recognizes Class II and III railroads that have implemented the most innovative and successful marketing and customer service initiatives in the short line railroad industry, as determined by a panel of industry experts. Please visit our website to view the requirements and submit your entry!

Please contact Cara Boyle at cboyle@aslrra.org or (202) 585-3447 for more information.

**ASLRRA President Gives Short Line Overview for 2018**

*Progressive Railroading* featured an interview with ASLRRA President Linda Bauer Darr on its website, providing an overview of short line and regional railroad plans for the upcoming year.
A strong 2017 likely indicates continued growth in 2018, according to Darr. Plans for regionals and short lines to work more effectively with Class I’s, particularly in the area of data sharing, will hopefully result in more reliable service by providing more accurate estimated shipment arrival times.

Darr also pointed out some of the challenges facing short lines and regionals in 2018. One in particular is the extension of the Section 45G tax credit, which expired at the end of 2016. Although ASLRA has been pushing for a permanent tax-credit extension, Darr notes that the current political situation makes achieving that goal difficult.

Another hurdle for short lines and regionals is positive train control (PTC) compliance. Yet, while short lines don’t see the rule as fair, the entire industry is “full speed ahead” on outfitting locomotives with the appropriate devices, said Darr.

Advancing the mission of the Short Line Safety Institute (SLSI) is a third priority for ASLRA in 2018, with the goal to continue to assess and improve short lines’ safety culture.

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**Save the Date!**
**RAILROAD DAY ON CAPITOL HILL**
March 7, 2018

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**Legislative Update**

**Senators Approved Bill to Reauthorize NTSB**

Members of the Senate Committee on Commerce, Science, and Transportation introduced the National Transportation Safety Board (NTSB) Reauthorization Act (S.2202) on Dec. 6, and the bill was approved by voice vote on Dec. 13. The act would reauthorize the NTSB at an average level of $113.4 million through the fiscal year 2023.

Additionally, the act includes reforms meant to modernize NTSB safety investigations, recommendations and discussions, and improve agency transparency. According to legislators, the bill improves information sharing and data collection, while calling for more clarity in the agency’s safety recommendation evaluation process.

The NTSB was last reauthorized in 2006. It is an independent federal agency.

**ASLRA Continues Push for 45G Short Line Tax Credit**

With the effort to produce tax reform legislation in Congress underway, ASLRA continues to promote the 45G short line railroad rehabilitation tax credit, which supports critical infrastructure maintenance and improvements.

There is stand-alone legislation in both the House (H.R.721) and the Senate (S.407) to make the credit permanent, and those pieces of legislation have received significant support, with 250 co-sponsors in the House and 55 in the Senate. It is the most heavily co-sponsored piece of tax legislation in this session of Congress.

The credit was not extended in the initial versions of the House or Senate tax reform bills. However, the bill’s champions in Congress continue to show strong support for 45G, helping us find a way forward this December. Supporters are advocating for the bill’s inclusion in the House and Senate tax bills as they wind their way through the legislative process, or in a separate legislative vehicle. ASLRA is working to support their efforts in any way possible, and the Legislative Policy Committee is fully engaged.

The short line railroad tax credit leverages private sector investment in rail infrastructure by providing a tax credit of 50 cents for every dollar spent on track improvements, capped at $3,500 per track mile. If extended, this credit will provide more clarity for ASLRA’s small business members so that they can plan and budget for track, grade crossing and bridge work in 2018 and beyond.
For support in reaching out to your elected representatives, please contact our Washington team’s Fred Oelsner. Also, please visit www.aslrra.org/BRACE to learn more about this important tax and infrastructure legislation.

Follow @ASLRRA on Twitter!

Please tag @ASLRRA, or send photos to ASLRRA’s Amy Westerman, so we can share our members’ stories via social media.

Regulatory Update

FRA and FHWA to Hold Third Joint Webinar

The Federal Railroad Administration (FRA) and Federal Highway Administration (FHWA) are holding the third webinar of their joint webinar series on Jan. 25 to discuss the Railway-Highway Crossing Program, also known as the Section 130 Program. In particular, the webinar will provide an overview of Section 130 Program requirements and feature presentations from Montana and North Carolina representatives who will discuss their states’ Section 130 Programs. Registration is free, but required for all participants. Registration should be completed no later than Jan. 19, 2018. There are a limited number of spaces available.

To register online, please visit the FHWA website here. Those without an @dot.gov email address will need to request an account here before they can register for the webinar. USDOT users do not need to create an account to register.

In anticipation of the webinar, participants are invited to review a copy of Title 23, United States Code, as well as the FHWA’s page discussing the Section 130 program, and the FRA’s Highway-Rail Crossing and Trespass Prevention website.

GoRail Submits Letter in Opposition to Forced Access Rule

Nonprofit organization GoRail submitted a letter to the key leaders of the House and Senate transportation committees criticizing the U.S. Surface Transportation Board’s (STB) proposed regulations forcing railroads to turn over traffic to other railroads, which would “open their privately owned networks to competitors.”

GoRail argues that the STB’s proposed rule, which it contends is promoted by special-interest groups, would hinder free-market competition and is a “classic case of regulatory overreach.” The rule would also limit freight railroads’ ability to invest capital in its infrastructure, which GoRail points out is the only instance of a mode of transportation almost entirely funded by private investment instead of taxpayer money.

Co-signing GoRail’s letter are more than 400 supporters from states across America, including mayors, council members, Chamber of Commerce representatives and a variety of company executives.

New Grant Program May Solicit Applications Soon

A new discretionary grant program for rail investments created under the Fixing America’s Surface Transportation (FAST) Act could be soliciting applications for funds shortly. ASLRRA believes that a formal Notice of Funding Opportunity (NOFO) will soon be released for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program.

The FAST Act authorized funding for these grants through 2020, but Congress did not release the necessary money until the FY17 appropriations bill. Of the appropriated $68 million, up to $10 million is earmarked for intercity passenger projects, while another $17 million will go to rural projects. However, an emphasis on rural investment likely means awards to rural projects should exceed $17 million.
Class II and III railroads are eligible applicants, and any other rail carrier or rail equipment manufacturer can partner with these entities to apply for and receive funding. Also eligible to apply are the Transportation Research Board and rail labor organizations.

Projects qualified for grants are varied, ranging from deployment of railroad safety technology to improvement of railroad infrastructure. The evaluation process is expected to be similar to that of the latest rounds of TIGER and INFRA grant awards, and ASLRRRA expects that competition for funding will be stiff.

To review the original program document or read more about eligible applicants and projects and the evaluation process, please click here.

**AAR Submits Comments Regarding DOT Regulations**

The Association of American Railroads (AAR) submitted comments on December 1 in response to the U.S. Department of Transportation’s (DOT) call for input regarding rules that should be repealed, replaced or otherwise modified. While the AAR had previously submitted comments in June, the December document adds additional regulations the AAR believes are worth highlighting.

The AAR’s comments single out the Federal Railroad Administration’s (FRA) air brake inspection regulations, which it wants updated. The AAR also calls for a repeal of the Federal Motor Carrier Safety Administration’s (FMCSA) hours-of-service regulations for rail workers, and for the DOT to change or repeal its level-boarding platform.

Due to the potential for small unmanned aircraft systems (sUAS) to aid railroads in conducting dangerous inspections, the AAR asks for modifications to the Federal Aviation Administration’s (FAA) rules limiting railroad uses of the technology. Specifically, the AAR requests a repeal of nighttime operation restrictions, the visual-line-of-sight (VLOS) requirement, and the rule prohibiting operation of sUAS over people.

As previously announced, ASLRRRA filed comments Dec. 4 identifying the FRA training standards rule as worthy of repeal. ASLRRRA also suggested that the risk reduction rule and crew size rule should be significantly revised before a final rule is issued.

Other comments identified obsolete inspection, reporting and communication requirements. In its statement, ASLRRRA also faulted the DOT for having “ignored” parts of the Small Business Regulatory Enforcement Fairness Act and relying upon emergency orders to “short cut the standard rulemaking process.”

**Member News**

**Rutgers Students Tour Manufacturing Plant at Strato**

Strato Production Manager Dave Calico led ten Rutgers University students on a tour of one of the company’s New Jersey manufacturing plants on Dec. 1. The students, all members of the Society of Manufacturing Engineers (SME), spent the afternoon learning about design and production.

Calico discussed a variety of topics, including safety design and application in a production environment. During their plant tour, the students viewed high- and low-tech production equipment and test equipment used for product development and quality assurance.

Strato engineers also demonstrated the use of technology in product design by showing students the company’s rapid prototyping and real-world simulation equipment in the research and design laboratory.
Rutgers has a large campus located near Strato’s manufacturing plant, and several of Strato’s engineers are graduates of the university.

Anacostia Rail Holdings Announces Appointments at Affiliate Railroads

Anacostia Rail Holdings has appointed Kathleen Sackett and Matthew Coduti to positions at its Louisville & Indiana and Chicago South Shore & South Bend railroad affiliates.

Sackett will be director of marketing and sales for the Louisville & Indiana Railroad in Jeffersonville, Ind. The move, which was effective Dec. 4, brings Sackett from her previous position as director of commercial with Wisconsin & Southern Railroad. Sackett has over 16 years of experience with rail sales and marketing.

Coduti joined Chicago South Shore & South Bend Railroad in Michigan City, Ind. on Nov. 20 as manager of marketing and sales. He was formerly planner, maritime and raw material logistics at ArcelorMittal.

Alaska Railroad Names New Chief Operating Officer

Effective Jan. 1, Clark Hopp will take on the role of chief operating officer (COO) at the Alaska Railroad Corp. (ARRC). Currently, Hopp is ARRC’s vice president of engineering.

Hopp replaces Doug Engebretson, who is retiring. As COO, Hopp will oversee ARRC’s rail transportation, engineering, mechanical, safety and grant administration functions.

Hopp joined ARRC in 2001 before taking the lead of the engineering department in 2013. Prior to the ARRC, Hopp worked at the engineering consulting firm TranSystems Corp.

Hopp is also a member of the ASLRRRA Board of Directors.

R.J. Corman Creates Apprenticeship Program

R.J. Corman Railroad Group will partner with the Kentucky Labor Cabinet to create an apprenticeship program meant to help recruit and retain new employees.

The new program should begin in early 2018, with recruiting to target local high schools and military veterans. Once chosen, apprentices will work with experienced journeymen for four years of training. Once complete, apprentices will receive a journeyman certificate.

One of the first areas of emphasis for the training program is in the signaling company, which designs, builds and installs different railroad signal systems. The program is expected to expand to other companies and positions at the R.J. Corman company as the need arises.

TXNW Opens New Service Center at Texas Industrial Park

ASLRRRA members Texas North Western Railway (TXNW) and The Andersons Rail Group joined to open a rail car repair and service center at the Panhandle Logistics Park in the Texas Panhandle. The Panhandle Logistics Park is a new 580-acre, rail-served industrial park with shovel-ready sites with easy access to major highways and utilities.

The new service center will operate adjacent to a private rail car storage facility offering almost 11,000 storage spots, which is owned and operated by TXNW.

“Our partnership with The Andersons will bring new competition, an experienced and respected provider, to the Texas rail car services market,” said TXNW CEO Paul Treangen in a press release. “TXNW’s premier rail car storage facility will be complemented by the cost-saving alignment of full-service car maintenance - all in one location. Together, we see great potential for future growth.”

Montana Rail Link Celebrates Thirty Years of Operations
Progressive Railroading profiled Montana Rail Link (MRL) in recognition of its thirty years of operation. MRL, which is owned by The Washington Cos., began operations on Halloween in 1987, and has been growing since.

MRL operates over 900 miles of track, mostly in Montana, but also has some lines reaching into Idaho and Washington. It moves coal, chemicals, building materials, non-metallic materials and other products.

While the regional has experienced fluctuations in growth since its founding, carloads have steadily climbed since 2003. Adding to the increase in business was a supplemental agreement made with BNSF Railway Co. (BNSF) in 2012. Under the pact, MRL takes on more of BNSF’s Montana traffic, which has resulted in an additional 300,000 carloads in the past five years and a projected 49% increase in carloads in 2017 compared to 2011.

In order to meet the needs of this increase in business, MRL is also working on infrastructure improvements, including fortifying its line with continuous-welded rail and replacing 115-pound rail with 132-, 136-, or 141-pound rail.

Funeral Services Held for Johnson, Owner of Pickens Railway Company

Chipley Hugh “Chip” Johnson, president and owner of Pickens Railway Company, passed away on Nov. 30. He was 59.

Johnson was born in Jacksonville, Fla. and earned an electrical engineering degree from Southern Polytechnic University. He was also the owner of Johnson Railway Service and the Chattahoochee Locomotive Company, and holds two train-related U.S. patents.

Johnson is survived by his wife, Nancy; son Austin; daughters Kelley and Hunter; and two grandchildren. Funeral services were held Dec. 3 in Clarkesville, Ga.

Save the Date: ASLRRA CONNECTIONS 2018

Make a note to join us April 7-10, 2018, at Gaylord Opryland in Nashville, Tenn. for ASLRRA CONNECTIONS! Numerous networking opportunities, a packed exhibit hall, powerhouse general sessions, and individual breakout tracks covering a wide variety of industry topics make this an exciting event you won’t want to miss!

Register Today!

Please view and register for ASLRRA’s webinars by clicking here.

Dec. 20, 2017 - A Class 1 Safety Overview

The Short Line Safety Institute (SLSI) and Becky Hamilton, directory of safety at CSX Transportation, will present a webinar discussing safety programs at CSX. Content includes a review of the importance of safety for CSX and its interchange partners. This webinar is free to ASLRRA member and non-member railroads. To register, click here.

ASLRRA Offers On-Demand Webinars

ASLRRA’s expanded educational offerings now include On-Demand Webinars! ASLRRA webinars already provide flexible training to meet busy schedules; now members can access valuable educational content at their convenience. Webinars cover a broad range of topics, including Regulatory Updates, Veteran Recruitment, Finance for Railroads, Social Media, Protecting Roadway Workers, and much more. Visit our website to view a complete list of On-Demand Webinars, presentations and takeaway materials.

Views and News is published by the American Short Line and Regional Railroad Association. Please contact Amy Krouse, Editor, akrouse@aslrra.org, with member news, questions or comments.