NOTE: Due to ASLRRA’s CONNECTIONS Convention April 6-9, there will be no Views & News on April 10. Views and News will return the following Wednesday, April 17.

45G Tax Credit Bill Reaches Milestone With 155 Co-Sponsors

As of April 1 the number of co-sponsors supporting H.R. 510, the House bill to permanently extend the railroad track maintenance credit, reached 155. Going beyond the 150-co-sponsor mark is considered an important step on the way to the 218 votes needed to pass the bill.

“Today the BRACE Act, HR 510 in the 116th Congress that calls for permanence of the Short Line Tax Credit, has crossed a milestone mark with more than 150 co-sponsors in the House,” said ASLRRA President Chuck Baker in a statement. “As Congress debates the merits of action on the so-called ‘Tax Extenders,’ which include the Short Line Tax Credit, we urge them to note the strong bi-partisan and growing support for the Short Line Tax Credit in this Congress.

“The Short Line Tax Credit is good public policy with proven success, enabling small-business railroads that provide the first and last mile to nearly 10,000 shippers to invest more of their revenues in improving and maintaining critical infrastructure.”

Use ASLRRA’s Convention Apps to Make the Right CONNECTIONS

Two mobile apps will help ASLRRA CONNECTIONS Convention participants make the most of their experience. The 2019 CONNECTIONS Convention Mobile App, available for Android and Apple, brings the entire event to users’ fingertips, while the Handbid Auction App will handle all bidding for the Short Line Education Fund’s annual silent auction.

All attendees to the convention should receive an invitation e-mail with instructions to activate the convention app, which is designed for use on smart phones, tablets and personal computers. Users can then create a profile highlighting areas of interest, which will allow them to connect with other like-minded attendees and exhibitors. The convention app provides important event details and also allows users to set up a personalized schedule, make appointments and network with others.

Those who did not receive the invitation e-mail, or who have any questions about the app should visit the Mobile App Desk at registration in Orlando, which starts at noon on April 6.

Like the convention app, the Handbid Auction App brings a wealth of information to users, allowing them to bid for silent auction items from their smart phones and even set up a credit card to pay for items through the app. Those without smart phones can bid online using auction bidding kiosks.
Please remember, online registration for the convention closes Thursday, April 4, although it will still be possible to register on-site. Follow this link to learn more or to register.

Supreme Court Allows Taxation of Injury Award’s Lost Wages Portion

A March 4 decision by the U.S. Supreme Court says that, for damages awarded due to workplace injury, the portion of the award attributable to lost wages is considered taxable compensation under the Railroad Retirement Tax Act.

According to a recent press release from the Railroad Retirement Board, the 7-2 decision in BNSF Railway Co. v. Loos (No. 17-1042) reversed the previous decision made by the Circuit Court of Appeals for the Eighth Circuit.

The Supreme Court ruled that the Railroad Retirement Tax Act defines compensation not simply as pay for active service, but also “pay for periods of absence from active service provided there is an employer-employee relationship.” Whether an employer pays a settlement voluntarily or is made to do so through a damages award does not matter as long as the payment is based on the recipient’s status as a service-rendering employee.

In the lawsuit, Michael Loos disagreed with a decision by his then-employer, BNSF Railway, to withhold taxes from $30,000 of Loos’s $126,212 damages award, the portion that was attributable to lost wages. Loos had argued that the lost-wages portion was compensation for an injury and not “for services rendered,” thus making that money ineligible for taxation.

Railroad Retirement Board’s April Q&A Compares Railroad Retirement, Social Security Benefits

The Railroad Retirement Board’s most recent series of questions and answers shows the difference between railroad retirement and social security benefits payable at the end of fiscal year 2018. In general, those covered by the Railroad Retirement Act pay higher retirement taxes than those covered by the Social Security Act, meaning railroad retirement benefits are higher than social security benefits, particularly for those with over 30 years of service.

The average annuity for career rail employees at the end of fiscal year 2018 was $3,525, and $2,815 for all retired rail employees, while the average social security benefit was nearly $1,915. Including spouse benefits, railroad retirement coverage pays $5,815 compared to $2,875 under social security.
The RRB’s document also compares age requirements, survivor benefits and lump-sum death benefit provisions, as well as payroll taxes for each system.

House Support for H.R. 510 Closer to Majority

We are happy to report that progress on both bills - H.R. 510 & S. 203 - that would make the 45G short line tax credit permanent continues. As of this writing H.R. 510 has 155 cosponsors and S. 203 has 29. Since our last update we confirmed two additional members of the House Committee on Ways and Means, and are very close to a majority of the majority.

Thank you to everyone who has taken the time to send a few emails or make a few phone calls in support of these bills. The sustained effort continues to pay off in a big way.

This week in Washington we are gearing up for Railroad Day on Capitol Hill on May 8. As of this writing our hotels are nearly sold out as many ASLRRA members are coming to Washington to meet their members of Congress. We have confirmed nearly 200 meetings and plan to have more. Register for Railroad Day on Capitol Hill to take part in this effort.

As always, please consider inviting your representative to your railroad. If your representative is new to Congress take some time to tell him or her about your operations. Members of Congress love hearing from the businesses they represent and many would appreciate an opportunity to learn more by visiting your railroad. Feel free to reach out to your team in DC if you’re interested in hosting an event. We are here to help. Contact Will Resch of Chambers, Conlon and Hartwell at Will.resch@cch-llc.com.

Cost of Implementing Tax Extenders Makes Lawmakers Hesitant to Pass Them

A recent Politico article examined the approaches House Ways and Means Committee Chairman Richard Neal (D-Mass.) has been considering in his attempts to move forward with legislation concerning so-called ‘tax extenders’ like the 45G short line railroad tax credit.

Hesitation among Democrats hinges largely upon the fact that many of the tax extenders will benefit businesses, while some lawmakers are demanding that any extender legislation be paid for. Chairman Neal is considering adding provisions to an extender’s measure that would benefit average Americans, like an expansion of the Earned Income Tax Credit.

Even expanding the EITC, however, would drive up overall costs without providing a means to pay for them, which is troublesome for lawmakers.
Ultimately, the dispute over tax extenders comes particularly late. While legislators want to apply the tax credits retroactively for 2018, the tax season ends in a few weeks and many of those who would be eligible for credit would have to file amended returns to take advantage of any last-minute changes.

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**ASLRRRA Announcements**

**Voting Still Open for Associate Board of Directors Seat**

One opening remains on ASLRRRA’s board of directors for a representative of associate members. E-mail and fax voting will end on April 5. Voting will continue on-site at our CONNECTIONS convention. The ballot box will be located in the main registration area. Ballots must be dropped in there by 10 AM on April 8 in order to be reviewed and counted.

The candidates are:

- Lucas Brewer, Project Manager, Bergmann Associates
- John K. Fiorilla, Chair-Transportation Practice, Dyer & Peterson PC
- Shea McLaughlin, National Account Manager, CDL Electric
- Josh Putterman, Co-Founder, Bluejay Advisors
- Kevin Riddett, President & CEO, Railworks Corp.
- Rachel Stayton, President & Owner, Railroad Signaling Solutions, LLC

Only associate member companies can vote in this election and each company receives one vote. Ballots were sent to the primary contact at every associate member company. The winner of the election will be announced at the associate membership meeting on April 8 during the Orlando convention and in an upcoming edition of Views & News.

**SLSI Hires New Director of Research and Organizational Development**

The Short Line Safety Institute has hired Kim Davies-Schrils as its new director, research and organizational development. She will provide design, development, oversight and analysis of key programs for the SLSI, as well as be responsible for primary research and scientific and technical reports based on program output.

“Kim brings exactly the expertise the Short Line Safety Institute was seeking to assist our team in delivering a systemic analysis of the impact of our work on the industry,” said SLSI’s Executive Director Tom Murta in a press release. “We have the added benefit of having worked closely with Kim during the development of the Safety Culture Assessment program. We have first-hand knowledge of her capabilities in leading projects focused on human factors, aimed at improving safety culture in the transportation industry.”

Immediately prior to joining the SLSI, Davies-Schrils was an engineering psychologist in the Human Factors Division at the Volpe National Transportation Systems Center, where she led multiple research and evaluation projects aimed to improve safety in the railroad industry.

**Few Rooms at Block Rate Remain for Railroad Day on Capitol Hill**
Two of three ASLRRA room blocks for the annual Railroad Day on Capitol Hill on May 8 are sold out, and a third is nearing capacity. The deadline to book a room in the remaining hotel block is April 6.

Railroad Day offers participants the chance to speak with legislators in Washington, D.C. about issues that matter most to the railroad industry. By speaking to lawmakers in person, participants show the real people whose livelihoods are affected by the laws being passed in Congress.

Railroad Day begins with check-in, followed by Congressional staff appointments and an evening reception at Union Station. ASLRRA will offer two webinars prior to Railroad Day to help participants prepare for their appointments on Capitol Hill. Follow the link above for more information or to register.

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ASLRRA Out and About

Keeney, Gitchell Attend League of Railway Women’s Leaders in Rail Panel

On March 20 ASLRRA’s Vice President, Member Engagement and Sales Kathy Keeney and Director, Regulatory Affairs Crystal Gitchell attended the League of Railway Women’s panel discussion titled “Laying Their Own Tracks: Lessons from Women Leaders in Rail.” The panel featured Adrian Arnakis, Kathy Kirmayer and Kristin Smith, three female senior vice presidents at the Association of American Railroads.

The discussion, moderated by AAR Senior Economist and LRW Membership Chair Luisa Fernandez-Willey and AAR Assistant General Counsel and LRW Parliamentarian Sarah Yurasko, covered topics such as career barriers, work-life balance and mentorship. Following the speakers’ presentation, attendees participated in a question and answer session.

New Members

ASLRRA is pleased to welcome five new members.

CorrSolve Corrosion Solutions, LLC, based in Fort Worth, Texas, provides highly effective, non-hazardous corrosion solutions to the rail industry. CorrSolve leverages proven, patented products and specifically tailors them to serve the needs and specifications of the railroad industry. A special thanks to Scott McKelvie for recommending they join ASLRRA. Look for them in Booth # 128 at ASLRRA CONNECTIONS this weekend in Orlando. Our contact is Inside Sales Manager Leonel Rodriguez.
Fleetistics, based in Wesley Chapel, Fla., has been supplying customers with industry-leading GPS tracking and fleet/asset management technology for nearly 20 years. Look for them in Booth # 611 at ASLRRA CONNECTIONS this weekend in Orlando. Our contact: Marketing Manager Shawn Millar.

Hardesty & Hanover, LLC, based in New York, N.Y., is a full-service infrastructure engineering firm with more than 130 years of experience steeped in solving complex engineering challenges. Its specialty lies in the ability to manage the entire life cycle of engineering services and support. Our contact is National Freight Rail Director Bret Farmer.

HySafe, based in Union Grove, Wis., offers services in design, engineering, installation, certification and training related to fall protection systems. It sends fall-protection specialists on-site to assess and determine the fall-protection needs of each client, allowing it to determine the necessary equipment to build out and install the proper fall-protection system. Look for them in Booth #928 at ASLRRA CONNECTIONS this weekend in Orlando. Our contact is Sales Leader Nate Graham.

Wood Care Systems, based in Kirkland, Wash., manufactures Bor8 Rods for in-place treatment of wood ties and timbers. Bor8 Rods are cost-effective, environmentally friendly and safe wood preservatives that can be used anywhere to extend the service life of wood railroad components. A special thanks to Tony Chambers for recommending Wood Care Systems join ASLRRA. Look for them in Booth #530 at ASLRRA CONNECTIONS this weekend in Orlando. Our contact is President Jim Renfroe.

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**ASLRAA Events**

**Webinars**

**Tax Reform Traps and Issues** - 5/15/2019

This webinar will discuss some of the tax traps and pitfalls related to the 2017 Tax Reform Act and explain how to deal with them.

[Click here](#) for more ASLRRA events.

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**Industry Events**

[Click here](#) for a listing of industry events.

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Views & News is published by American Short Line and Regional Railroad Association. Please contact Amy Krouse, editor, with questions or comments.