45G Tax Credit Bill Reaches Critical Co-Sponsor Mark

H.R.510 has reached a majority of the House co-sponsoring in bipartisan fashion, with 219 Representatives indicating their support, for the law that calls for permanence of the 45G Tax Credit.

"Congress is once again on-record in supporting the tax credit for rehabilitation of short line railroads, as they have been in every Congress since the 109th," said Chuck Baker, President of ASLRRA. "This tax credit is public policy that works, enabling more than $4B of private investment since its inception in 2005. Short lines provide the critical first and last mile from farms, energy facilities, and factories to domestic and international suppliers and customers - particularly in rural and small-town America. More than 478,000 blue collar jobs for working Americans throughout the country are dependent on short line railroad service. Every month that the credit is in limbo further delays infrastructure investment and hinders shippers, industry suppliers and railroads from making long-term economic commitments. We urge Congress to act now to ensure that investment and innovation continue."

Of particular note is the fact that H.R.510 has bipartisan backing, with co-sponsors almost equally split between parties. There are 111 Democratic co-sponsors and 108 Republican co-sponsors. Twenty-two members of the House Ways and Means Committee have also signed on to the bill.

The Senate version of the bill, known as S.203, is also close to a majority, with 45 of the 51 co-sponsors needed. Again, supporters can be found on both sides of the aisle, as 23 Democrats, 21 Republicans and one Independent have signed on to the bill.

FRA Awards Millions in CRISI Grants to Rail Projects, Benefitting 20 ASLRRA Member Railroads

The Federal Railroad Administration recently awarded over $326 million to 45 projects through its Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program. Of those awards, 20 went to or will benefit ASLRRA member railroads.

“ASLRRA is pleased that 21 short line and regional railroads have been awarded FY2018 Consolidated Rail Infrastructure and Safety Improvements (CRISI) grants in the latest round of funding. The FRA has once again recognized the significant part that our small business railroads play in connecting more than ten thousand shippers to the domestic and international marketplaces. The availability of programs that allow railroads to leverage their significant private investment to upgrade rails and bridges to modern standards leads to safer, more fuel- and cost-efficient rail service," said Chuck Baker, President, ASLRRA. “Federal policies such as CRISI, balanced regulatory policy across freight modes and the Short Line Tax Credit (45G) are proven solutions that keep freight rail service to small town and rural America viable, enhance safety, and grow the American economy.”
CRISI grants went to projects that would improve the safety, efficiency and reliability of passenger and freight rail. This year’s grants for short lines will fund projects to replace rail and switches, make grade crossing and signal upgrades, fix bridges, complete reports and environmental assessments, develop a mobile application, install ballast and more.

ASLRRA Notes Positive View of Short Lines, Urges Caution in Next Steps in Demurrage Hearing Comments

ASLRRA participated in and submitted comments for the Surface Transportation Board’s hearing on railroad demurrage and accessorial charges May 22-23.

In its comments, ASLRRA highlighted the fact that no Class II or Class III railroads were a subject of shipper complaints, and the testimony of several shipper witnesses included praise for the services and practices of small railroads. ASLRRA further cautioned the STB against taking broad steps to adopt or change regulations, as such efforts could inadvertently have a negative impact on small railroads whose actions in no way merit such burdens.

Increased shipper complaints about the new demurrage practices and increased accessorial charges of Class I railroads motivated the STB hearing, which had been scheduled for a single day but was extended due to a high level of interest in the matter. Witness testimony came from 35 of the 77 shippers and other entities who filed written comments expressing concerns or complaints about the issue, as well as all seven Class I railroads.

FRA Releases Newly Revised Version of Part 243 Compliance Guide

The Federal Railroad Administration has released an updated version of the “Training, Qualification, and Oversight for Safety-Related Railroad Employees; Compliance Guide,” also known as the Part 243 Compliance Guide.

The newer version, dated May 2019, adds information regarding training programs not requiring submission under 49 CFR Part 243. This includes new language describing the FRA’s expanded interpretation on such training programs, as well as the new URL for the appropriate web portal.
Additionally, the FRA added questions and answers to several FAQ sections and expanded answers to other questions, related primarily to training programs, employee qualification requirements, designated instructors and contractor compliance.

"Keeping up with federal rule-making and regulatory interpretation is difficult at best, so the ability to review all of our regulatory programs with the knowledge base of the ASLRA was invaluable."

Visit www.aslra.org to learn more!

**ASLRA President Represents Short Lines at Senate Finance Committee Task Force Meeting**

On June 6 ASLRA President Chuck Baker attended a meeting of the Senate Finance Committee’s Cost Recovery Task Force, which was formed to devise a solution to the issue of various tax extenders, including the 45G short line tax credit.

Baker presented to the task force regarding the benefits of the 45G tax credit. He outlined the importance of short lines, particularly in rural America, and explained how having the credit allows small railroads to make crucial infrastructure investments enabling them to continue to provide efficient service to their customers.

In addition to his testimony, Baker provided the task force with a variety of documents showing both support for and benefits of the tax credit. These included a report on the economic impact of short line railroads, endorsements from other associations and stakeholders, lists of bill co-sponsors demonstrating its broad bipartisan support, and before-and-after pictures showing infrastructure improvements made using the tax credit.

The Cost Recovery Task Force is one of five formed by Senators Charles Grassley (R-IA) and Ron Wyden (D-OR) to look at 42 temporary tax breaks constantly needing extensions from Congress to remain active. Twenty-six of the 42 tax breaks, including 45G, expired at the end of 2017, three expired at the end of 2018 and 13 will expire at the end of this year.

**ASLRA Announcements**

**Association Looking to Add Railroad Expertise to Emergency Mitigation Directory**
ASLRRRA is eager to develop a comprehensive disaster and emergency mitigation directory for short line and regional railroads and seeks the assistance and knowledge of railroads with experience in disaster recovery and emergency preparedness events.

ASLRRRA is especially interested in testimonials and materials from railroads, as such first-hand advice would be a significant help to other members who might find themselves in similar adverse situations in the future.

Railroads with experience in this area are asked to contact Sabrina Waiss at swaiss@aslrra.org to discuss resources they can provide.

Out and About

Chuck Baker Speaks at Norfolk Southern Short Line Conference in Virginia

ASLRRRA President Chuck Baker spoke at the Norfolk Southern Short Line Conference in Norfolk, Va. on June 11.

Baker’s talk emphasized the strong relationship between short lines and Norfolk Southern and the ways that relationship can improve in the future. After giving a general overview of legislative and regulatory issues related to short lines, Baker highlighted some key opportunities for cooperation and collaboration, including operational and technology issues like big data, positive train control (PTC) and disaster recovery.

ASLRRRA’s Oelsner Represents Association at Several Industry Meetings

ASLRRRA’s Assistant Vice President of Data and Technology Fred Oelsner attended the American Railway Development Association’s (ARDA) annual meeting in Nashville, where he became secretary of ARDA’s technology section. He participated in discussions of technology, real estate and economic development issues in the railroad industry.

Oelsner also represented ASLRRRA at supplier member Wabtec’s Digital Solutions Summit in Georgia, featuring presentations and discussion on the company’s safety and technology products utilized by short line and regional railroads.

Rounding out his trips, Oelsner will attend the Association of American Railroads (AAR) Geographic Information Systems (GIS) Committee meeting held at CSX Corporation’s Jacksonville, Fla. headquarters from June 11-13.
ASLRRA Webinars

Access ASLRRA’s Cybersecurity Webinar Series – Available on Demand

ASLRRA has a wealth of educational webinars available online at the click of a mouse. Members can click here, login, and then access the On Demand Webinars resource library. Dozens of relevant and timely webinar recordings on a wide range of topics, including our popular three-part cybersecurity webinar series presented by Justin Smith and Bill Everett of Collins Aerospace are available FREE to ASLRRA members, titles include Introduction to Cybersecurity for Short Line Railroads, Security Controls for Short Line Railroads, and Resiliency for Short Lines. On-Demand Webinars are available by subscription to non-members - click here for more details.

Click here for more ASLRRA events.

Industry Events

Click here for a listing of industry events.

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