Professionals Gather at ASLRRA Eastern Region Meeting

The ASLRRA held its Eastern Region Meeting last week in Providence, R.I., where 200 short-line-railroad industry professionals discussed a variety of topics ranging from marketing to cybersecurity.

Ann Begeman, acting chairperson of the Surface Transportation Board, and Clark Robertson, vice president of business development and e-business at CSX, provided the keynote addresses. Begeman discussed the upcoming regulatory agenda, while Robertson gave an update on CSX events and industry trends.

Meeting participants joined round-table discussions of topics that included marketing, safety and regulations. This year, organizers added a special session on matters involving hazardous materials and technology. Participants also received notes from the sessions and copies of the presentations, a popular feature at regional meetings.

“Regional meetings are a unique opportunity for railroaders to gather in an intimate setting where they can share their challenges and ideas with peers,” said ASLRRA President Linda Bauer Darr.

Those who missed the Eastern Region Meeting can still attend the Central/Pacific Region Meeting on Nov. 13-15 in Kansas City, Mo.

ASLRRA Will Hold Central/Pacific Region Meeting November 13-15
Register by November 6!

Watco Companies’ CEO Rick Webb and Kansas City Southern’s Executive Vice President and Chief Marketing Officer Brian Hancock will deliver keynote addresses at this year’s ASLRRA Central/Pacific Region Meeting Nov. 13-15 in Kansas City, Mo.

Webb and Hancock will discuss the current state of the rail industry, its future, and how short lines and Class 1 railroads can build their businesses by working together. Other events include marketing and business development sessions and legislative and regulatory round table discussions. There will also be presentations about today’s regulatory climate and creating strong safety cultures.

The Finance and Administration Seminar and General Counsel Symposium will immediately follow the region meeting. Combining these events allows those in the finance, human resources and legal divisions to attend both meetings in one trip.

“ASLRRA’s regional meetings deliver in-depth and interactive education to meet the needs of today’s railroad industry professionals,” said ASLRRA President Linda Bauer Darr. “Attendees can use this great opportunity to expand their network, reconnect with colleagues, and discuss ways to improve their business with other like-minded industry professionals.”

For more information or to register, see the ASLRRA website. Online registration closes November 6.
ARDA to Host Drone Webinar

On Nov. 8, 2017 the American Railway Development Association’s Technology Section will present a webinar discussing drones in the railroad industry. The presenter is Jonathan Rupprecht, an expert in commercial drone regulations.

Rupprecht will discuss issues such as how to integrate drones into the corporate environment and what rules specifically relate to railroads. He has worked with multiple companies on topics related to drone use, including helping companies understand how best to comply with federal drone regulations.

The webinar is free and open to the public. For more information or to register, please go here.

Follow @ASLRRA on Twitter!

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

Legislative Update

BRACE Act Still Most Co-Sponsored Tax Legislation, Tax Reform Efforts Underway

As the effort to produce tax reform legislation in Congress is now underway, ASLRRA continues to promote the importance of the 45G short line railroad rehabilitation tax credit in supporting 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 massive support in the form of Congressional co-sponsorships: 247 co-sponsors in the House, and 55 in the Senate. In the Senate, that is the single most heavily co-sponsored piece of tax legislation in this session of Congress!

Please visit www.aslrra.org/BRACE to learn more about this important tax and infrastructure legislation.

The Short Line Tax Credit leverages private sector investment in rail infrastructure by providing a tax credit of 50 cents for every dollar spent on track improvements. If passed, this legislation will provide more clarity for our 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.

Grass Roots Visits

Representative Walorski Joins Grand Elk Railroad and Alliance Sheets, LLC for Tour, Rail Discussion

On Oct. 20, 2017, Representative Jackie Walorski (R-IN02) joined representatives from ASLRRA member Grand Elk Railroad (GDLK) at Alliance Sheets to tour the company and discuss the 45G tax credit.
Doug Shaeffer, general manager of Alliance Sheets, led the tour. During the tour Shaeffer and others discussed the importance of rail access, emphasizing that their company could not exist without the Grand Elk Railroad.

In addition to the tour, attendees discussed the importance of the 45G tax credit to maintaining reliable and safe rail access, pushing for the passing of the Building Rail Access for Customers and the Economy Act (BRACE Act).

Regulatory Update

**FRA Updates Committee at AAR Tank Car Meeting**

At the recent Association of American Railroads (AAR) Tank Car Committee Meeting, the Federal Railroad Administration (FRA) provided an update to the committee regarding One-Time Movement Approvals (OTMAs), inspections and FRA’s commitment to complete compliance. After its report, the FRA issued an Attachment A, explaining which components can be maintained by entities other than tank car facilities, such as suppliers and railroads.

For any questions regarding this information, please contact JR Gelnar at jrgelnar@aslrra.org.

**DOT Extends Comment Period for Notification of Regulatory Review**

The U.S. Department of Transportation (DOT) has extended the comment period for its Notification of Regulatory Review. The 30-day extension means that the comment period will now end on Dec. 1, 2017 instead of Nov. 1.

The DOT is reviewing its existing regulations and other agency actions to evaluate their continued necessity, determine whether they are crafted effectively to solve current problems, and evaluate whether they potentially burden the development or use of domestically-produced energy resources.

The ASLRRA intends to provide a response on behalf of short line railroads. Those interested in submitting their own responses can do so online through the Federal eRulemaking Portal, by mail, hand delivery or courier, or by fax. Any responses need to be identified using the docket number DOT-OST-2017-0069. For more information, please go here.

**2018 to Bring an Increase in Railroad Retirement Benefits**

A rise in the Consumer Price Index (CPI) has resulted in an increase of most railroad retirement annuities, beginning in January 2018. Tier I benefits will increase by 2 percent, while tier II benefits will go up by 0.7 percent. Vested dual benefit payments and supplemental annuities also paid by the Railroad Retirement Board (RRB) will not change.

The average increase to a regular railroad retirement employee annuity will be $42 a month, while the average combined benefits will increase $60 a month. Widow(er)s eligible for an increase will receive an additional $24 per month. However, those widow(er)s for whom the Railroad Retirement and Survivors’ Improvement Act of 2001 finances annuities will not receive increased benefits until the amount that would have been paid under prior law exceeds their annuity amount. This includes all otherwise payable interim cost-of-living increases.

In cases where an annuitant also receives social security or other government benefits, the increased government benefit reduces the tier I benefit. Increased government benefits do not affect tier II increases. Those receiving an annuity under the 2001 law might see a decrease in the survivor annuity if they are also eligible for increased government benefits.

This increase is the largest since 2012. The most recent increase for tier I was 0.3 percent in January 2017.

The RRB will mail notices in late December to all annuitants, informing them of any changes to their rates that will take place in January 2018. For more information, please visit the RRB website.
Railroad Retiree Earnings Limits Rise in 2018

Those receiving railroad retirement annuities will have their earnings limits increased in 2018, which enables them to earn more before experiencing a reduction in benefits.

For annuitants who have not reached social security retirement age, some of their railroad retirement benefit payments are eligible for deduction if their earnings exceed certain amounts. This is similar to social security benefits.

The exempt earning amount rises to $17,040 for those under retirement age through 2018. Their earnings deduction is $1 in benefits for every $2 of earnings exceeding the exempt amount. For those reaching retirement age in 2018, the exempt amount will be $45,360 in the months prior to the annuitant’s birthday month, and their deductions are $1 for every $3 in earnings received during those months.

Earnings deductions are based on earnings received for services rendered, as well as net earnings from self-employment. Other sources of income, such as interest, dividends and investments are not considered earnings eligible for these deductions. For more information, please visit the RRB website.

Member News

Watco and GISLLC to Host Global Information Systems Workshop

Watco Companies and Global Information Systems, LLC (GISLLC) will hold a workshop discussing global information systems (GIS) and their impact on the railroad industry. The workshop will be held at the Watco Training Center in Birmingham, Ala. on Jan. 3-4, 2018.

The focus of the workshop is to facilitate discussions between railroads on current and planned use of GIS applications, including areas like electronic track charts, simulators, and real estate management. Watco and GISLLC encourage all those using or interested in using GIS to attend, as advancements in technology make it more possible for railroads to use GIS in a way that has a positive impact on the entire company. For more information or to register, click here.

UCIR Celebrates Inaugural Railcar Ribbon Cutting at New GAF Plant

The Union County Industrial Railroad (UCIR) and GAF held a ribbon cutting Oct. 30 in New Columbia, Pa. to celebrate the addition of GAF’s new manufacturing plant to the UCIR line.

Speakers at the ribbon cutting included Plant Manager Joe Gregory, GAF Human Resources Manager Miranda Ritter, Focus Central Pennsylvania Executive Director Lauren Bryson, and UCIR Business and Development Manager Joe Kantz.

The GAF plant is currently in the final stages of its renovation. When complete, the plant will manufacture two different roofing products: commercial roofing membranes and injection molding components for residential roofing systems. It will also be a training site, with 30 to 40 contractors expected to complete certification each month as installers of GAF-made roofing products.

GAF has already hired over twenty new employees from the local area for its new location, and is hoping to hire 26 more people over the next few months.

GE Appoints New President, CEO of GE Transportation

GE has named Rafael Santana the new president and CEO of GE Transportation. He replaces Jamie Miller, who is taking on the role of GE’s chief financial officer.
Santana has had eight years of experience in management roles with GE, and has been with the company for over 17. He served in leadership positions with GE Oil & Gas, Power and Transportation, most recently acting as president and CEO of GE in Latin America. As head of the Latin America region, Santana helped make it one of GE's largest and fastest-growing sectors.

“Rafael has deep roots in GE Transportation,” said John Flannery, GE chairman and CEO. “His experience helping teams navigate through this tough market combined with his deep global, operational, services and industrial experience make him the perfect fit for this role. I look forward to working with him closely.”

Before joining GE, Santana worked in leadership positions at ExxonMobil and British American Tobacco.

Stotter Promoted to President and CEO of North Shore Railroad Company & Affiliates

Susquehanna Union Railroad Company’s Board of Directors appointed Jebediah Stotter as president and CEO of North Shore Railroad Company & Affiliates. Stotter replaces Gary Shields, who retired after over 48 years in the railroad and logistics industry.

Stotter previously served as the vice president and chief operating officer of North Shore Railroad Company & Affiliates. He joined the company in 2001, becoming vice president in 2013 and adding the role of chief operating officer in 2015.

In his new position, Stotter will supervise the company and its operations, as well as participating in strategic planning and ensuring workplace safety. He will work to advance company goals while serving as an advocate for the railroad industry.

Memorial Service Held for Ian Turvill

Freeborn & Peters’ Chief Marketing Officer (CMO) Ian Turvill passed away on Oct. 18. He was 48.

In addition to being Freeborn’s CMO, Turvill was active in the Legal Marketing Association and served as president-elect of the LMA Midwest Region.

A memorial service was held for Turvill on Oct. 27. He is survived by his wife, Dr. Marny Morrison Turvill; children Claire and Jack; mother Eileen Turvill; and brother Michael Turvill.

ASLRRRA Meetings and Trainings

Webinar: Sales and Use Tax: Preventing Future Issues

On Nov. 28, 2017 join this webinar to help prepare for Sales Tax Audits including current climate, what to look for, and how to prepare. During this webinar, we will be covering several aspects of Sales and Use Tax, including Sales Tax Nexus, Situs of Sale, Taxable versus Non-taxable Sales Exemptions, and Sales Tax Audits. Attendees will have an opportunity to participate in live Q&A at the conclusion of the webinar. Register by clicking here.

ASLRRRA’s Central/Pacific Region Meeting

Registration is closing November 6, 2017 for ASLRRRA’s Central/Pacific Region Meeting, this year at the Intercontinental Kansas City at the Plaza in Kansas City, Mo. on Nov. 13-15, 2017. Please click here to register today!

General Counsel Symposium/Finance & Administration Seminar
Registration is open for ASLRA’s General Counsel Symposium/Finance & Administration Seminar this year at the Intercontinental Kansas City at the Plaza in Kansas City, Mo. on Nov. 15-17, 2017. Please click here to register today!

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.