

Railroad Day Highlights Rail's Vital Role To The U.S. Economy

Representatives from the nation's freight railroads, labor groups, rail suppliers, and state and local officials joined together March 14 for the annual Railroad Day on Capitol Hill.

Rail representatives, including members of the Railway Tie Association (RTA), discussed the need to preserve the current regulatory framework that has allowed the industry to invest billions of dollars into the nation's rail infrastructure, making the U.S. rail system the best in the world, according to Edward R. Hamberger, president and CEO of the Association of American Railroads. The groups urged Congress to continue to support policies that encourage the freight rail industry to deliver safe, reliable and efficient service so that American businesses can successfully compete in the global marketplace.

"Americans whose livelihoods depend on a healthy rail industry want Congress to know

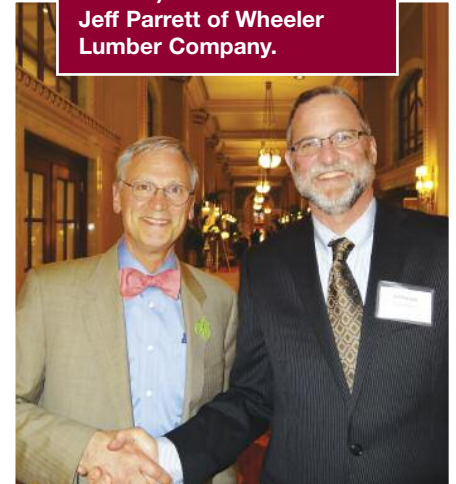
that freight rail is working for our country, and carrying the investment load so taxpayers don't have to," Hamberger said. "Freight rail is the backbone of our nation's economy, and we need to maintain policies that keep that possible."

Advocates for freight rail talked to legislators about how rail differs from other modes of surface transportation, most notably that freight rail invests private capital—more than \$24 billion this year alone—in its own infrastructure, while other modes of transportation heavily rely on subsidies by taxpayers. When government budgets are tight, rail advocates will assert, it is important to support policies that will encourage railroads to continue private investment.

"As the economy grows and American businesses and manufacturing expands, freight rail continues to deliver for the nation," Hamberger said. "In addition to investing billions into our

physical network, the freight rail industry will be hiring thousands of new employees this year. We want to thank all the representatives,

Earl Blumenauer (D-OR 3rd District) with RTA President Jeff Parrett of Wheeler Lumber Company.



MEMBER PERSPECTIVE:

Impacting An Industry By Brad Crawford

On March 14, the Association of American Railroads and the American Short Line Railroad Association sent more than 350 delegates into the U.S. Senate and the U.S. House of Representatives to lobby for the rail industry. I was given the opportunity to be part of this effort.

As a procurement manager and a member of the RTA, one issue stood out above the others—the 45G Short Line Tax Credit. This is a tax credit of up to \$3,500 per mile of track, with a cap of \$165 million, to improve rail lines.

In order to receive this tax credit, the short line must first spend up to \$7,000 per mile of track in their system and show a profit at the end of the year.

RTA Executive Director Jim Gauntt and the RTA staff have a long history of communicating the impact to its members. In years when the tax credit is in effect, the short lines purchase an additional 1 to 1.5 million ties. We can all agree that the more wood ties that are purchased across the country the better off each of our businesses are; however, the impact is not only on our companies, but also on our suppliers.

I live in the 6th Congressional district in Kentucky. My representative in the U.S. House is Andy Barr. Railroad Day on the Hill gave me the opportunity to meet with him and discuss the issues

that affect our industry and his constituents, including the 45G tax credit. All of the RTA members who participated in this meeting were able to have the same impact. Along with meeting with some of our own representatives, we also met with other members of the House and Senate to relay the same message.

Overall, I believe that a positive impact was made throughout Congress. I would recommend anyone with an interest in attending this event next year take the opportunity.

You should also be very proud to be a member of the RTA. In the morning briefing, before we headed to the hill, the RTA was acknowledged for its effort to show the impact of the 45G credit. RTA was the only one mentioned by name. We should all show our continued support and gratitude to be part of an organization that does so much to support its members. ■



NOTE: Brad Crawford is procurement manager for Stella-Jones Corp.

suppliers, advocates and government officials who came to Capitol Hill to tell their story about how freight rail has improved their lives.”

Railroad Day participants also discussed the need to reject potentially dangerous and unfair proposals to increase the truck size and weight allowances. Allowing heavier and larger trucks, rail advocates maintain, will increase the damage big trucks inflict on the nation’s roads and highways while diverting freight traffic from the self-sustaining railroads. The price tag for repairing this damage is shouldered by taxpayers.

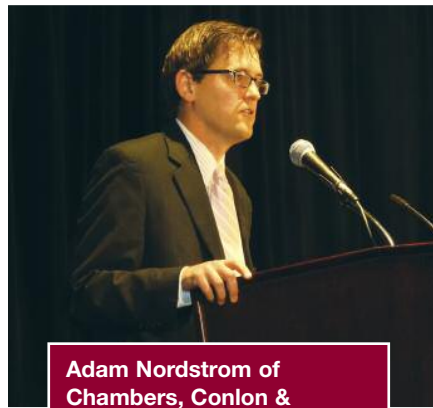
RTA member companies played an important role in the Railroad Day event, said Jim Gauntt, RTA executive director.

“RTA members have an opportunity at Railroad Day On The Hill to have an impressive impact on legislators. As we tell our story of how the 45G tax credit and reasonable regulation positively impact American jobs and small family businesses in our industry, congressional leaders really listen,” Gauntt said. “This helps our customers achieve their goals. And, when our customers succeed, all RTA members succeed. We are proud to help play a role in improving legislative environments in Washington, D.C., and across the country.” ■

Charles Tarbuton of Sandersville Railroad begins the briefing with Caroline McLean LC for Johnny Isakson (R-GA).



Dan Lipinski (D-IL, 3rd District) with RTA President Jeff Parrett.



Adam Nordstrom of Chambers, Conlon & Hartwell addresses Railroad Day on the Hill attendees.



Jeff Parrett speaks with Sen. John Thune (R-SD, right) and Kirk Knauff of GE Transportation.

Part of the RTA contingency at Railroad Day: Gary Ambrose, Jeff Parrett, Tom Niederberger, Brad Crawford, Tony Chambers and Jim Jorde.



Ed Hamberger, right, of AAR delivers a briefing to Thune (far left).

