

# Short Line Association Shares Major Goals For 2015

## ASLRRRA President: RTA Members Play Integral Role In Short Line Success

By Linda Bauer Darr, ASLRRRA President

As the new president of the American Short Line and Regional Railroad Association (ASLRRRA), I look forward to the challenges and opportunities associated with leading a vital and dynamic short line railroad industry.

It is clear that one of the opportunities is working with the Railway Tie Association (RTA) and the individual companies it represents. I have already met with RTA Executive Director Jim Gauntt and a number of individual tie company executives and plan to meet more in the coming months. I am impressed with your industry's enthusiasm for joining in the work that is so important to the success of the nation's railroads, and I look forward to traveling that road with you. While I still have much to learn, here is a sampling of what needs to be accomplished in 2015.

### 45G Short Line Rehabilitation Tax Credit

As you know, the 45G tax credit was renewed for 2014 and we are already hard at work on

an extension for 2015 and beyond. Since its original enactment in 2005, the credit has leveraged over \$1.5 billion of private investment in railroad infrastructure. Much of that investment has been in new railroad ties.

According to RTA data, the credit has resulted in short line tie purchases of between 500,000 and 1 million over and above normalized annual purchases. The higher end of that range occurs when the credit is in place at the beginning of the year so that both the short lines and the tie manufacturers can plan ahead. Creating that certainty is one of our most important goals.

Our House bill will be introduced the week of Jan. 26 with the same lead sponsors as last year—Congresswoman Lynn Jenkins (R-KS), Congressman Earl Blumenauer (D-OR), Congressman Rodney Davis (R-IL), and Congressman Dan Lipinski (D-IL).

One of the keys to success in the past has been the large number of Congressional co-

sponsors we have attracted to our legislation. Indeed, in the last Congress our extension legislation had the second highest number of

co-sponsors of all the tax bills introduced in the House of Representatives. The number and geographical reach of the nation's tie companies have played a critical role in boosting our co-sponsorship numbers, and we are deeply appreciative of your efforts.

While this Congressional support is a result of our hard work, it also reflects Congressional understanding of and appreciation for what the tax credit accomplishes. It allows small businesses to invest more of what they earn to build and grow their own businesses. It helps tens of thousands of businesses in rural and small-town America stay connected to the national railroad network. It creates jobs not only for the railroads that are rebuilding their track but also in those industries that produce the ties, the rail, the ballast and the signal systems that are used in those rehabilitation projects.



Linda Bauer Darr

## 3 Ways The 45G Tax Credit Helps You

The Railway Tie Association recently made a statement in support of the 45G Tax Credit extension and offered some insight on how RTA members would benefit.

- 1 The Short Line Tax Credit facilitates installation on short line and regional railroads close to an additional 1 million wood crossties per year when in effect, an estimated 25 percent increase in ties installed by regional and short line railroads.
- 2 When the Short Line Tax Credit is in place with adequate advanced notice for short line and regional railroads to adequately plan for its use, it facilitates installation of more than 1 million additional crossties per year. When the credit is created retroactively, or late during the current year, it facilitates installation of only approximately 500,000 ties per year.
- 3 By boosting demand for the products necessary for rail line improvements, the Short Line Tax Credit directly supports rail supplier employment. The 3,000+ Railway Tie Association members employ and support thousands of workers in 46 states from loggers, to sawmills, to treaters, railroads and all the support industries that service railroad infrastructure investments. ■

### Short Line Safety Institute

The short line railroad industry is acutely aware of the importance of workplace safety, and we know it is a subject that requires continued attention and improvement. For that reason we have partnered with the Federal Railroad Administration to establish a Short Line Railroad Safety Institute. The Institute will engage a group of full-time safety experts who will assess the safety practices and safety culture of individual short lines, make recommendations for changes and provide the latest in materials and training techniques to bring about improvements. The assessors will dig deep into the operations and survey the employees so as to make a realistic and unbiased determination of what needs to be changed or

improved. The assessments will be confidential, and we believe that confidentiality will provide an opportunity for candid and constructive criticism in a way that might not otherwise be possible. While every short line will eventually be part of the program, it will begin with those railroads that handle crude oil and other flammable liquids.

#### **ASLRRA Annual & Regional Meetings**

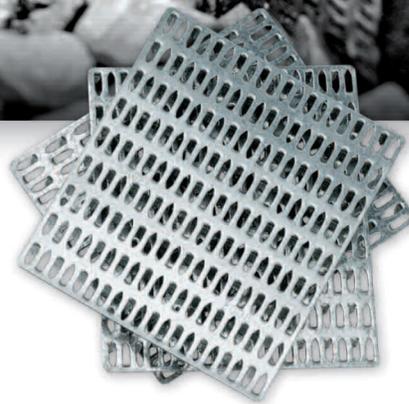
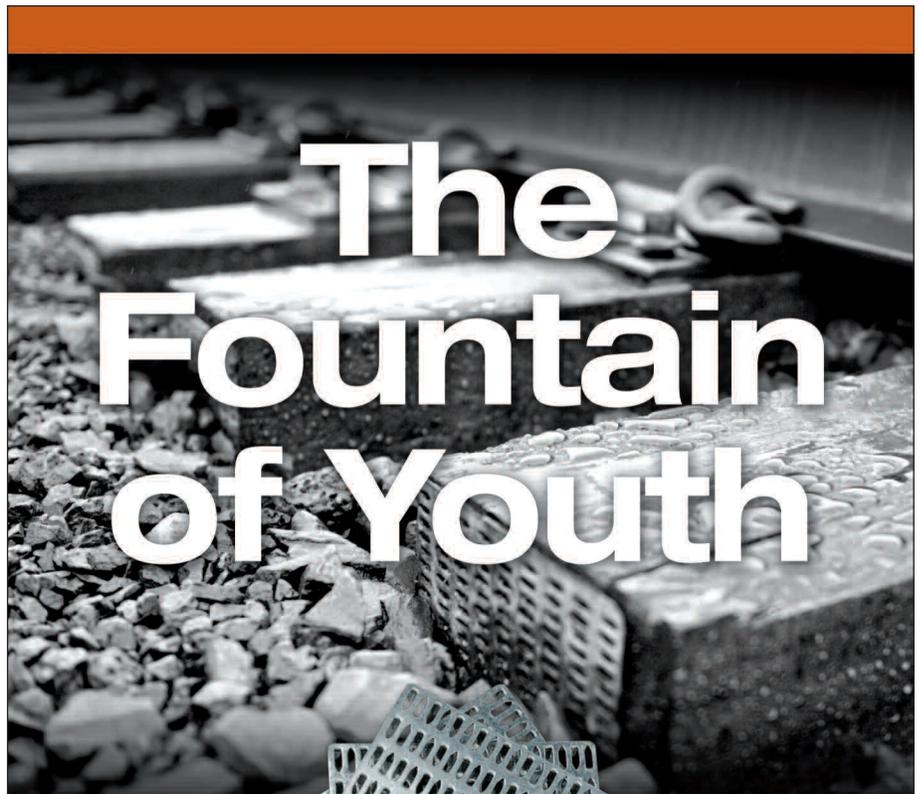
I have spent the majority of my career managing transportation trade associations. I understand the important contribution these meetings make to education and networking for those inside our industry and to communicating our story to those on the outside. One of my primary goals will be to make ASLRRA meetings even more productive. While I will be working to implement many changes on my own, I look forward to hearing any outside advice on what will make these events more useful for all who attend.

ASLRRA's 2015 Convention will be held March 28-31 in Orlando, Fla. Our three regional meetings will be Central/Pacific, held in Scottsdale, Ariz., Sept. 12-15; Eastern, held in Erie, Pa., Oct. 17-20; and Southern, held in Atlanta, Nov. 15-17. Additional program and registration information can be found at our website, [www.aslrra.org](http://www.aslrra.org).

#### **Railroad Day On Capitol Hill**

The railroad industry's most important legislative meeting of the year is Railroad Day on Capitol Hill, set for June 4 in Washington. It is the best opportunity of the year to get railroad issues in front of Congress.

Railroad Day brings more than 500 railroad industry representatives to Capitol Hill to participate in more than 350 Congressional meetings that center on issues like the short line tax credit, truck size and weight, and railroad regulation. It is a very important lobbying day for our industry, but it only works if the industry turns out in mass. Congressmen have become so burdened with meetings that many only take meetings when a voter in his or her district is present. The tie industry has companies in many districts that do not have a railroad presence, so your participation often makes the difference in securing a meeting or not. RTA will be in regular communication with you on registration and program information, and I hope I will see you there. ■



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