

You Can Help Keep America's Short Lines Strong

By Kristen McIntosh

Short line railroads are critical to the U.S. economy. The more than 600 in operation in the nation today keep thousands of small towns and tens of thousands of customers connected to the freight rail network.

Chuck Baker, president of the American Short Line and Regional Railroad Association (ASLRRA) said short lines represent the first and last mile of the network, handle one in five cars on the network, and operate a third of the 50,000 route miles of the freight rail network.



Chuck Baker

“Short lines are small business enterprises that have taken on track that otherwise would have been abandoned, much of it suffering from years of deferred maintenance. Short lines serve every industry, but several industries are particularly reliant on short lines,” Baker said, adding that allowing bulk shippers in agricultural, energy and manufacturing industries to have a rail option via short lines keep these companies cost-competitive.

In the Q&A that follows, Baker offered the following about the association's goals and plans for 2021.

What are some of the biggest concerns short lines have today?

Competition from trucks is pervasive and getting tougher all the time. Trucks operate on heavily subsidized public infrastructure and are improving their technology and service visibility faster than we are. Short lines are challenged to maintain and improve privately funded infrastructure and meet the demands of our varied customer base. Short lines are investing in technology and spending more than 25 percent of annual revenues

in infrastructure investment—some up to 33 percent—to meet these challenges.

How has COVID impacted the short line railroad industry?

In some ways, we can say not significantly. Railroads never stopped running. We're the definition of critical infrastructure, carrying inputs during the pandemic such as plastics and chemicals to make PPE and other equipment, lumber and pulp products for building materials and paper products, and the list goes on. Please see “short line stories” on ASLRRA.org for a few examples.

With the Biden Administration now in place, are there any expected shifts in attitude, policy or otherwise?

With this Administration, we know they understand rail, although obviously the passenger side is higher profile than freight. We expect a very friendly reception regarding how freight rail can help solve the country's environmental challenges, but we also expect some challenges regarding potentially unnecessary regulatory mandates, such as crew size.

How does ASLRRA educate legislators on the importance of the short line railroad industry?

We continue to educate Congress in similar ways—e-mails, phone calls, invitations to tour the railroads. In 2020, we became very adept and scheduling meetings via Zoom and have had great participation and support from our members since there is no travel costs to do so. Our association staff assists with the coordination and messaging, but we rely upon short line railroaders themselves to tell our story.

Will ASLRRA hold any in-person meetings this year?

We are carefully monitoring the situation as

in unfolds, and will adjust to CDC guidelines as well as local restrictions. We are pleased to share that we will be in person for our annual convention, Nov 17-19, in Phoenix, Ariz. Just this week we have announced our plan to be in person at two regional meetings in June. We hope to see you at least one of these gatherings.

How can RTA members support short lines and ASLRRA?

There are several ways we would welcome RTA member engagement: 1) Railroad Day on the Hill participation; 2) Regional and annual meeting participation; and 3) Offer our members your expertise via webinars. Send us your good ideas.

RTA's data on tie usage is one of the very best data sources in the whole industry. We've used the data extensively with regard to 45G in the past and plan to continue to use it going forward.

Last December, as part of the Consolidated Appropriations Act, the 45G Short Line Tax Credit became permanent. How will the industry be impacted?

Having the 45G tax code as a permanent vehicle is a tremendous benefit for our industry, enabling short lines to upgrade track to provide better service to current customers, to seek new opportunities with customers, and to provide opportunities for all the suppliers that support us in those endeavors. And we want to say a special thank you to RTA members, who have been with us the entire way since it was first introduced in 2005, and whose industry data we have relied upon to support our story.

However, we cannot rest on our laurels. There is a lot of work left to be done, and a lot of need still out there. CRISI, INFRA,BUILD and other grant programs are one of our key advocacy initiatives.

Tell us about Railroad Day on the Hill this year. How it will work as a virtual event, and what will be the major talking points?

We need all of you to participate in Railroad Day—the industry’s premier advocacy event. We will be hosting Railroad Day over two days—April 13 and 14—via Zoom. We’ve been encouraged by the very positive response from Congressional Offices. We

have more Senate offices on the schedule than last year, and we are ahead of prior years in scheduling, expecting to meet with over 300 Congressional Offices.

From a participant standpoint, there are several benefits that the virtual format offers—no travel, no registration fees, and more targeted meetings. Instead of an eight- or 10-hour meeting day, meetings will be scheduled in targeted, 30-minute increments

over two days. We will pair you with offices that impact the localities where you do business.

We need you to show up for our industry and encourage you to register prior to April 2 to ensure that we can schedule you appropriately. We will absolutely welcome you until the very last minute, but please register by April 2 to make Railroad Day the most efficient experience possible for you. ■



ASLRRA's Top 2021 Legislative Initiatives

The following are ASLRRA's top legislative goals for 2021:

Increase CRISI Funding: The Consolidated Rail Infrastructure and Safety

Improvements (CRISI) grant program is a very popular and successful program that includes short line railroads as eligible applicants. CRISI funding should be increased and there should be no big, new set-asides to ensure an even playing field for all applicants, including small business freight railroads.

No Increases to Truck Size and Weight (TSW) Limits: Increases and exceptions to current federal law resulting in a shift from freight rail to truck transportation would be harmful to everyday drivers, the environment and the public infrastructure paid for with taxpayer dollars. We oppose any legislation that increases current limits.

Other Grant Programs: Congress should ensure short line railroad projects can access funding through programs like INFRA, BUILD, and new transportation

grant programs targeting emissions and congestion reduction by including freight rail project eligibility and maintaining rural and small project participation.

Short Line Safety Institute (SLSI): Continue federal support for the SLSI. The SLSI helps build a stronger, more sustainable safety culture through safety culture assessments, training and education—including the safe transportation of energy products and hazardous materials - outreach activities, and research.

No Crew Size Mandate: Safety is our top priority, but there is no safety data to support the need for a crew size mandate, which could impede development and adoption of new safety technologies. Crew sizes have always been and should continue to be handled as part of collective bargaining agreements and not a one-size-fits-all federal mandate. ■



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