

May 26, 2021

ASLRRA Wishes Everyone a Safe and Happy Memorial Day Weekend



ASLRRA Pleased With Senate EPW Surface Transportation Reauthorization Act

The Senate Environmental and Public Works (EPW) Committee today released its portion of the surface transportation authorization bill in a bipartisan, unanimous fashion.

"ASLRRA members will find a lot to like in this bill, including addressing rail-highway grade crossing safety and improvements to funding and multimodal flexibility in both the INFRA and state freight formula programs," said ASLRRA President Chuck Baker in a press release. "While there are areas where we would like to see modifications before final implementation, we want to applaud the efforts of Committee Chairman Tom Carper (D-Del.), Ranking Member Shelley Moore-Capito (R-W.Va.), subcommittee Chairman Ben Cardin (D-Md.), Ranking Member Kevin Cramer (R-N.D.), and all committee members for their work in writing and approving a solid, beneficial bill. Now it is up to the other committees in the Senate and the House to continue to move in a bipartisan fashion toward a final transportation bill that ensures that the U.S. transportation system continues to drive growth and competitiveness for businesses across the country, while addressing environmental concerns far into the future."

Three short line priorities are addressed in the bill: stable funding for the Section 130 Rail-Highway Grade Crossing program; a raise of the multimodal cap on the INFRA grant program to 30 percent, up from 11 percent; and an increase of the multimodal cap on the state freight formula program from 10 percent to 30 percent.

Some areas ASLRRA would like to see modified before the bill becomes final legislation include multimodal flexibility in federal programs like the Carbon Reduction Program, Congestion Relief Program and Rural Surface Transportation Grant Program.

Register Today to Enjoy Educational Sessions and Networking Opportunities at ASLRRA's Regional Meetings

Regional Meeting Breaking News:

- <u>Central and Pacific Region Meeting</u> Kansas City Southern CEO Pat Ottensmeyer will talk to participants about how railroads have moved through the COVID pandemic as a critical workforce, and what is coming on the road ahead.
- <u>Eastern and Southern Region Meeting</u> ASLRRA has negotiated an extended deadline for special hotel pricing at <u>The Galt House Hotel</u>, site of both the Eastern and Southern Region Meeting and General Counsel Symposium. This Friday is the absolute last day to take advantage of the discounted rate, so make a reservation before May 28.

There are many diverse educational sessions being offered at each of our regional meetings and the General Counsel Symposium, but the intangible benefits of an in-person meeting are what just can't be beat. ASLRRA's regional meetings give railroaders and suppliers the opportunity to make important connections during networking breaks and social events.

Supplier members have registered in strong numbers for the <u>Central and Pacific Region Meeting</u> and the <u>Eastern and Southern Region Meeting</u>, giving railroaders who attend the chance to talk to representatives face to face about products or services their companies may need. Networking is also an opportunity to expand business opportunities, whether by directly discussing deals or getting ideas from colleagues during informal conversations.

Legal professionals attending the <u>General Counsel Symposium</u> will find sessions discussing topics like utility crossings and broadband deployment, railroad supply chain security and encroachment on railroad property. Attendees at the General Counsel Symposium can elect to earn CLE credits for an additional fee.

Between sessions, all participants can network with fellow attendees and event sponsors. There are also other opportunities to make industry connections, such as an opening reception and networking breakfast, golf tournament and Short Line Safety Institute Safety Train tour.

View full event agendas at the links above, or click <u>here</u> to register. Registrations are still being accepted for all three meetings.

ASLRRA Committees to Meet at Regional Meetings

Various ASLRRA committees will meet at this year's regional meetings, with most meetings occurring at the <u>Eastern and Southern Region Meeting</u> in Louisville, Ky.

The Young Professionals Committee will meet on the first day of the <u>Central and Pacific Region Meeting</u> in Kansas City, Mo., just before the opening reception with meeting sponsors. The committee will also get together at the Eastern and Southern Region Meeting, for those who could not attend in Missouri. The Legislative Policy Committee (LPC), Small Railroad Committee and General Counsel Committee will meet in Louisville.

ASLRRA is seeking members for the Small Railroad Committee, and invites those who may be interested in serving on the committee to attend the gathering at the Louisville meeting. Learn more about the Small Railroad Committee in the ASLRRA Announcements section below.



Position Available: Executive Director, FRA

The Federal Railroad Administration is seeking a highly qualified executive to serve as the agency's Executive Director (ED). The ED will provide leadership and direction over programs and managers to include policy direction in the areas of high speed rail, grants management, research and development, policy and legislative issues, strategic planning, financial integrity, human resources, etc.

More info: https://www.usajobs.gov/GetJob/ViewDetails/599530900



Updates Expected on FRA Masking Emergency Order

On a call with a host of federal agencies, including CDC, DHS, TSA, USDOT, and FRA, ASLRRA has learned that there will likely soon be some updates to EO32, the Emergency Order Requiring Face Mask Use in Railroad Operations.

The updates are expected to only be applicable to outdoor settings and will likely replace the masking requirement with guidance. The guidance will likely recommend that only unvaccinated people are

recommended to continue wearing masks in outdoor work settings. The updates will be provided in the form of updates to the USDOT/FRA <u>FAQ page</u> and are expected either by the end of this week or early next week.

We will share the updates broadly as soon as they are official. Until the changes are official and you see the updated FAQ in writing, the current rules still apply. Future updates regarding non-public indoor spaces are expected eventually, but not in this immediate step.

ASLRRA Files Three Sets of Comments Addressing Varied Concerns

In the past few weeks, ASLRRA has filed written comments with federal and state agencies regarding the Manual on Uniform Traffic Control Devices for Streets and Highways, a rule proposed in Colorado, and a proposed hazard communication standard revision.

On May 14, ASLRRA and the Association of American Railroads (AAR) submitted comments in response to the Federal Highway Administration's (FHWA) Dec. 14, 2020, notice of proposed amendments to the Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD). The comments focus on the NPA's grade-crossing-related provisions, aiming to further ongoing safety improvements. ASLRRA and AAR make the specific suggestion that the revised MUTCD should involve grade crossing diagnostic teams when evaluating and determining appropriate safety measures at highway-rail grade crossings, and those teams should include railroad representatives.

On May 17, ASLRRA filed written comments regarding Colorado's Public Utilities Commission's Notice of Proposed Rulemaking (NOPR). ASLRRA's comments outlined concerns with the breadth of the proposed rules; the commission's regulatory authority in general; and the viability of the proposed rules as it relates to federal preemption, judicial review, and/or agency review.

In addition, ASLRRA questioned whether the proposed rule would result in safety improvements. ASLRRA offered several changes to the rule and suggested partnering with the FRA's Rail State Safety Participation Program as an alternative to the proposed civil penalties.

And on May 19, ASLRRA again joined AAR in submitting written comments in response to the Occupational Safety and Health Administration's (OSHA) Feb. 16 notice of proposed rulemaking to revise its hazard communication standard at 29 C.F.R. Part 1910.

ASLRRA and AAR urged OSHA to clarify that the proposed rule change is not intended to place additional regulatory requirements on railroads. The safe transportation of hazardous materials via rail is already prescribed by the Hazardous Materials Transportation Act (HMTA) and relevant Pipeline and Hazardous Materials Safety Administration (PHMSA) regulations. For purposes of consistency, compliance and safety, the U.S. Department of Transportation's existing regulations should continue to govern all aspects of railroads' transportation of hazmat.

Switching Operations Fatality Analysis Committee Issues Alert Due to Recent Fatalities

The Switching Operations Fatality Analysis (SOFA) Committee issued an <u>alert</u> in May, bringing attention to three switching fatalities that have occurred so far this year.

Two fatalities occurred while an employee was protecting or controlling a shove movement, while the third happened when an employee was caught between equipment while trying to make a coupling in a curve.

The SOFA Committee has not yet analyzed the recent fatalities, but issued the alert to remind all rail employees to remain vigilant during switching operations and to always hold a job briefing when the job or situation changes.

Other SOFA alerts and messages can be found on ASLRRA's <u>website</u>, along with notices from the Fatality Analysis of Maintenance-of-Way Employees and Signalmen (FAMES) Committee.

AAR Cybersecurity Message Discusses Ransomware Attack and ASLRRA Urges Members to Secure Systems

ASLRRA has posted the Association of American Railroads' (AAR) Railway Alert Network (RAN) Cybersecurity Awareness Message offering additional analysis of the Colonial Pipeline ransomware attack.

The message, which is available <u>here</u> for members to view, provides an executive summary of the incident, detailed discussion and analysis of DarkSide ransomware developers and recommended mitigation measures.

ASLRRA strongly recommends their members work with IT teams to secure their systems. The mitigations identified in the recently updated Cybersecurity and Infrastructure Security Agency (CISA) and Federal Bureau of Investigation (FBI) <u>Joint Cybersecurity Advisory</u> offer a good starting point. The advisory discusses best practices for preventing disruption from ransomware attacks.

The Association's <u>On-Demand Webinar</u> library also features a three-part series focused on cybersecurity for short line railroads, presented and sponsored by Collins Aerospace. It can be found in the Technology category of the webinar library.



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Capitol Hill Update: White House Aims for Infrastructure Compromise, Senate and House Expected to Discuss Respective Surface Transportation Reauthorization Bills

The White House recently lowered its infrastructure funding request of Congress to \$1.7 trillion in response to a \$568 billion counteroffer from a group of Senate Republicans. The ball is now in the Republicans' court with many of them indicating they could raise their offer to levels ranging from \$800 billion to \$1 trillion.

At the same time, the Senate Environment and Public Works (EPW) Committee last week unveiled a five-year proposal to increase highway funding and provide 100 percent federal support without a non-federal matching requirement for the Section 130 Rail-Highway Grade Crossing program.

The EPW Committee has reported out their bill today with a unanimous vote. Other Senate committees, including the Commerce, Science and Transportation Committee, which has jurisdiction for rail policy such as safety and federal grants, have yet to reveal their portions of the surface transportation reauthorization.

Meanwhile, the Democratic majority in the House of Representatives is expected to hold its mark up of its reauthorization effort in late June. It is a reprise of last year's bill that garnered only Democrat support in committee and on the House floor and has negative implications on matters such as crew size and CRISI grant eligibility; we do not expect the House bill to enjoy any of the bipartisan backing of the Senate's EPW bill.

Lawmakers Introduce Bill to Support Innovation in Freight Rail

ASLRRA notes the introduction of the <u>Freight Rail Innovation Act</u> in the House of Representatives, by U.S. Reps. Conor Lamb (D-Pa., 17) and Mike Doyle (D-Pa., 18). U.S. Sen. Bob Casey (D-Pa., 6) presented companion legislation in the Senate.



As an ASLRRA Preferred Provider, ORR Safety offers Discounts on Personal Protective Equipment and Related Services to ASLRRA Members.

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ASLRRA New Members

Know a company that would benefit from joining and participating in ASLRRA? Please contact ASLRRA's Vice President of Membership and Business Development <u>Kathy Keeney</u> via email or on (202) 585-3439.

ASLRRA Welcomes Two Supplier Members



ASLRRA is pleased to welcome <u>Global</u> <u>Infrastructure Partners (GIP)</u> to its membership rolls. The New York City-based firm is a leading global infrastructure fund manager. GIP has grown to be one of the world's largest infrastructure investors, and currently manages \$75 billion in assets on behalf of its global investor base. Vice President <u>Alyssa Hooper</u> is our primary contact and can be reached on (646) 627-1500. Many thanks to ASLRRA Chairman Doc Claussen for the assist with this membership.



We are also delighted to welcome back <u>MacAllister Railroad Machinery</u>, based in Richmond, Ind. It rents, sells, and services high-quality equipment specialized for railroad applications from some of the top manufacturers including Caterpillar, Gradall, Cahaba, Kenworth, Hudson, Fecon, and more. The company can be reached by email <u>MacRail@MacAllister.com</u> or phone (765) 966-0626.

ASLRRA Announcements

Represent the Interests of Your Small Railroad by Joining ASLRRA's Small Railroad Committee

ASLRRA Small Railroad Committee Chair Dan Sabin, president of Iowa Northern Railway Company, is inviting all those who might be interested in serving on the committee to attend the Small Railroad Committee's in-person meeting, which will be held during the <u>Eastern and Southern Region Meeting</u> in Louisville, Ky.

Committee membership is open to all ASLRRA railroad members who are small or independent railroads and are not part of a holding company. The committee's mission is to serve as an information-gathering resource for small railroads and offer ASLRRA the collective perspective of member companies concerning matters impacting small railroads.

Members of the Small Railroad Committee participate in calls and meetings and work collaboratively to identify needs and services to support small and independent railroads throughout the industry.

Those interested in joining the committee and attending the meeting should email <u>Sabrina Waiss</u> to be added to the committee list and given meeting details. Please contact <u>Sabrina Waiss</u> or Chair <u>Dan Sabin</u> with any additional questions about committee membership.

Railroad Members Can Equip Their Safety Programs and Save Money with ORR Safety

ASLRRA's newest preferred provider, ORR Safety, is an ISO 9001-registered distributor of Personal Protective Equipment (PPE) and related services to the industrial market. For over 70 years, ORR Safety has provided products and services to over 20,000 companies, helping to protect hundreds of thousands of workers. With more than 40 years of railroad experience, ORR Safety has worked with customers and suppliers to provide innovative solutions to many of the unique challenges inherent in this complex and demanding industry.

ASLRRA members taking advantage of this partnership with ORR Safety can benefit from exceptional, personalized service and discounted pricing on a huge assortment of products and equipment needed to implement an effective and efficient safety program, including: foot & leg protection, signs, ergonomic products, hearing protection, clothing protection, eye protection, lighting and electrical products, hand protection, respiratory protection, storage containment and environmental spill cleanup, traffic control, head protection, and much more.

Visit the Association's <u>Member Discount Program page</u> and log in to view ORR Safety's online ecatalog and start saving today.

WEBINARS AVAILABLE ON DEMAND

With nearly 100 recordings available, there's a webinar to meet the needs of everyone on your team! Visit aslrra.org/webinars to view a complete list of available recordings.





ASLRRA Webinars - Live or On-Demand

Upcoming Webinars

Employee Retention Credit - June 29, 2021

In this webinar, Nicole Teska and Chelsea Sweet of Bowers and Company CPAs will explain how Employee Retention Credit rules have changed in 2021. They will discuss how to determine eligibility, how much the credit can be worth and how to claim the credit. Also,

Teska and Sweet will discuss how those who have not yet analyzed their credit for 2020 can still file an amended return.

Sponsored by:



ASLRRA's In-House Experts Offer Regulatory Information in Recorded Webinars

ASLRRA staff members have years of experience in the railroad industry, so they often take the helm of the Association's webinars to present important information. Recordings of several popular webinars presented by ASLRRA's in-house experts can be found in the Regulatory category of the Association's On-Demand Webinar Library.

These recorded webinars include:

- Emergency Docket Waivers
- FRA Penalties and Violations
- FRA Regulatory and Program Requirements for Short Lines, Part 1
- FRA Regulatory and Program Requirements for Short Lines, Part 2

In addition to these offerings, ASLRRA has more than 100 webinar recordings in its <u>On-Demand</u> <u>Webinar Library</u>. Recordings are free to members and available by subscription to non-members.

Industry Events and Announcements

SLSI Report Evaluates Safety Culture Assessments Conducted in 2020

A <u>report published</u> by the Short Line Safety Institute (SLSI) compiles the results of Safety Culture Assessments conducted at short line railroads in 2020.

The <u>study</u> will assist the SLSI to determine what new programs, resources and tools are necessary to address industry needs. It also helps the organization develop best practices for the ten core elements of a strong safety culture that form the backbone of SLSI's program.

"The Safety Culture Assessments have been very well received by the short line industry, benefitting the individual railroads directly and the industry through the SLSI's development of tools and programs in an effort to continuously improve safety culture," said SLSI Executive Director Tom Murta in a press release. "The 2020 analysis documents areas of continued strength across railroads, such as valuing safety above competing priorities, leadership's commitment to safety and modeling safe behaviors, and employees feeling empowered to work safely and report safety concerns. The study also highlighted areas where the SLSI can be helpful, and we will seek to develop solutions for short line railroads to meet identified needs."

May 28: Hay Seminar Speaker Discusses Ways to Eliminate Derailments

In this <u>Hay Seminar</u>, the second of a two-part series hosted by the University of Illinois, Wolf Railway Consulting President Gary Wolf will go into more detail explaining how railroads can reduce their derailment rates.

During the May 28 webinar, Wolf will present "12 tactical initiatives/objectives" for lowering the number of derailments, touching on areas such as corporate responsibility, track maintenance issues, vehicle issues and leveraging big data. Registration is free, but participants must register to attend. Professional development hours (PDHs) are also available to attendees for a fee.

The public can also access a <u>recording</u> of the first of Wolf's Hay Seminars, which took place April 9 and argued the need for reducing the derailment rate in North America, presenting overarching strategic initiatives and discussing Precision Scheduled Railroading.

June 8-10: AAR's Annual Damage Prevention and Freight Claims Conference Will Be Held Online

The Association of American Railroads (AAR) Damage Prevention and Freight Claims Conference will be held virtually June 8-10.

Canadian National Railway Executive Vice President and Chief Operating Officer Rob Reilly will be the event's keynote speaker. Other presenters include Jacque Bendon of Union Pacific, Marc Brazeau of the Railway Association of Canada and Patrick McDavid of Michigan State University.

Follow this <u>link</u> for more information or to register. Participants should register by June 6 to ensure full conference access.

Rio Grande Pacific Forms Blank Check Company with DHIP Group

Rio Grande Pacific Corporation, owner of four ASLRRA-member railroads, has joined with DHIP Group to sponsor the Integrated Rail and Resources Acquisition Corporation. The corporation publicly filed with the Securities Exchange Commission (SEC) regarding its proposed \$275 million initial public offering.

According to a <u>press release</u>, the new corporation is a "blank check company formed for the purpose of effecting a merger, share exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses." The focus of pursued business combinations will be in the areas of natural resources, railroads and/or railroad logistics companies.

<u>Click here</u> for more industry events.

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