

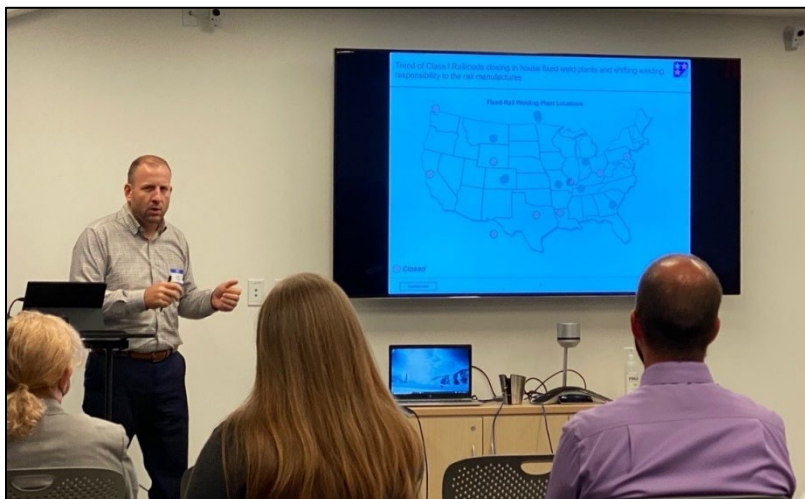


## Headlines

### Freight Rail Shipping Fair Market Act is Introduced; ASLRRRA Cannot Support

ASLRRRA [released a statement](#) in response to yesterday's [introduction of the Freight Rail Shipping Fair Market Act](#) by Chair of the Subcommittee on Railroads, Pipelines, and Hazardous Materials Donald M. Payne, Jr. (D-NJ), Chair of the House Committee on Transportation and Infrastructure Peter DeFazio (D-OR), Chair of the House Committee on Agriculture David Scott (D-GA), and Chair of the Subcommittee on Livestock and Foreign Agriculture Jim Costa (D-CA). The legislation will reauthorize the Surface Transportation Board (Board).

"On behalf of the country's 600 Class II and III short line freight railroads, the American Short Line and Regional Railroad Association (ASLRRRA) appreciates the intent of the House Transportation and Infrastructure Committee to find ways to improve the movement of freight on the national rail network. The Freight Rail Shipping Fair Market Act contains several studies and initiatives that are welcome and could aid Class II and Class III railroads and the overall freight rail industry. The bill, however, contains a myriad of mandates and dramatic government interventions into the marketplace that would harm the overall strength and viability of the freight rail business over time and disrupt short line railroads' ability to serve their customers. These provisions would insert aggressive government regulation into the complex, interconnected freight rail network, create an array of unintended consequences, and ultimately do more harm than good. ASLRRRA alerted Congress to our concerns, and provided a detailed review of each provision and suggestions as the bill was being drafted. As released, ASLRRRA cannot support this legislation."



### 2022 Joint Committee Meeting Held in Boston Aug. 2-3

*Jim Huenefeldt, Executive Vice President Sales A&K Railroad Materials, presents an update for the Engineering Committee at the Joint Committee Meeting.*

The Joint Committee Meeting is an opportunity for members of ASLRRRA, particularly those who serve on its constituent committees, to gather and

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discuss issues impacting the short line and regional railroad industry across a number of key topic areas. This year's meeting was held in Boston, and included presentations from a number of ASLRRA Committees including Engineering, Safety & Training, Technology, General Counsel, Environmental, Supplier and Young Professionals. The gathering of more than 70 participants also heard from ASLRRA Staff about key Regulatory and STB actions, and a presentation from MASS DOT's Rail and Transit Division. On August 3, several Committees took the opportunity to meet separately to further their work.

Thank you to [MassRobotics](#) who was the host of the first day of meetings at their offices in Boston, A & K Railroad Materials, and Rail Pod who hosted a networking event on the 2<sup>nd</sup>.



## Regulatory Update

### **DOT Issues RFI on Build America, Buy America Act's Impact on Construction Materials**

Recently, the DOT posted a [Request for Information \(RFI\) in the Federal Register](#) on the Build America, Buy America Act (BABA), enacted as part of the BIL. The BABA requires iron, steel, manufactured products, and construction materials used in infrastructure projects funded by federal financial assistance to be produced in the United States. DOT is seeking public comment on the requirement as applied to construction materials: how the requirement should be interpreted and implemented, the present availability of construction materials produced in the U.S. that are commonly used in transportation infrastructure projects, and the potential impacts to DOT-funded projects.

ASLRRA is considering providing guidance. If you have any feedback to provide, please contact [Tom Lynch](#).

### **RRB Discusses Annual Financial Reports in Most Recent Q&A**

The Railroad Retirement Board (RRB) discussed its annual financial reports in the latest edition of its [online Question and Answer](#) (Q&A) series.

The RRB must submit a report to Congress each year including the agency's financial condition and any recommendations for changes necessary to ensure the system's solvency. Included in the Q&A is information about the railroad retirement and railroad unemployment insurance systems' assets, comparisons between the 2022 and 2021 reports and explanations of the methods used to evaluate both systems.

# Legislative Update

## Senate Leadership Reaches Agreement on 'Inflation Reduction Act'

Sen. Chuck Schumer (D-NY) reached an agreement with Sen. Joe Manchin (D-WV) on a large tax, environmental and social spending measure. After a year and a half of behind-the-scenes negotiating the Democrats appear to have reached the final stages in their quest toward a large environmental, social spending, and deficit reduction package, formerly known as the Build Back Better (BBB) plan.

The bill focuses on taxes (attempting to raise \$739B over ten years through IRS enforcement, a new corporate minimum tax for large corporations, and closing the carried interest loophole), climate (attempting to reduce carbon emissions by 40% from 2005 levels by 2030), health care (extending the Affordable Care Act for a few years, prescription drug provisions) and deficit reduction.

Although none of the provisions directly affect short line freight railroads, there are a few that may affect some ASLRRA member companies, and other provisions that may be a tangential benefit to some. There may be some climate change related provisions that could tangentially affect some short lines, such as the 179D energy efficient buildings tax credit. ASLRRA staff will be tracking the progress of this bill for impact on short line railroads.

The text of the measure is [HERE](#), and the Democrats' summary is [HERE](#).

## Senate Appropriations Committee Releases FY 2023 Spending Bill Drafts

The Senate appropriations committee's Democratic leadership released a draft of the committee's fiscal year 2023 spending bills. The draft bill features several components affecting the short line freight rail industry.

The bill would provide \$534 million for Consolidated Rail Infrastructure and Safety Improvements (CRISI) grants which is in addition to the \$1 billion provided in the Infrastructure Investment and Jobs Act (IIJA). The Senate also sets aside \$40 million from the CRISI account for earmarks and other purposes. If passed, next year's CRISI funding availability could be \$1.5 billion, the large pot and few set asides for which ASLRRA has advocated.

The bill also provides \$2.5 million for the Short Line Safety Institute and funds the RAISE program at \$1.09 billion, which is \$315 million above current fiscal year 2022 levels. Funding for the Port Infrastructure Development Program is the same as 2022, \$234 million, while the Railroad Crossing Elimination Program received no additional funds beyond those provided in the IIJA.

The bill included favorable language regarding truck size and weight limits, stalling efforts to increase such limits at a national level. Other helpful language supports efforts to research clean energy and alternative fuel options for locomotives.

The transportation spending draft bill is [HERE](#) and draft report, or the explanatory statement, is [HERE](#).

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## Preparing for CRISI

The Federal Railroad Administration (FRA) has signaled it will be opening the 2022 [Consolidated Rail Infrastructure and Safety Improvements \(CRISI\) grant program](#) in August. With a historic \$1.6 billion available for projects this year – over four times the resources in 2021 – ASLRRRA is eager to help its members prepare for the funding opportunity release.

This week, ASLRRRA highlights another member that has received a CRISI grant and explains how those funds helped the railroad make significant and badly needed infrastructure improvements.

### Rapid City, Pierre and Eastern Railroad Uses its CRISI Grant to Make Operations More Efficient

In 2017, the first year of the CRISI program, the Federal Railroad Administration (FRA) awarded a \$978,200 grant to ASLRRRA member Rapid City, Pierre & Eastern Railroad (RCPE) in partnership with the South Dakota Department of Transportation.

The CRISI grant-funded project, which was completed in 2021, replaced two and a half miles of 100-year-old, 100-pound rail with modern 115-pound continuous welded rail in Wall, South Dakota. The RCPE operates 743 route miles across South Dakota, connecting points in Minnesota, Nebraska and Wyoming. This railroad plays a particularly important role supporting the region's agricultural industry.

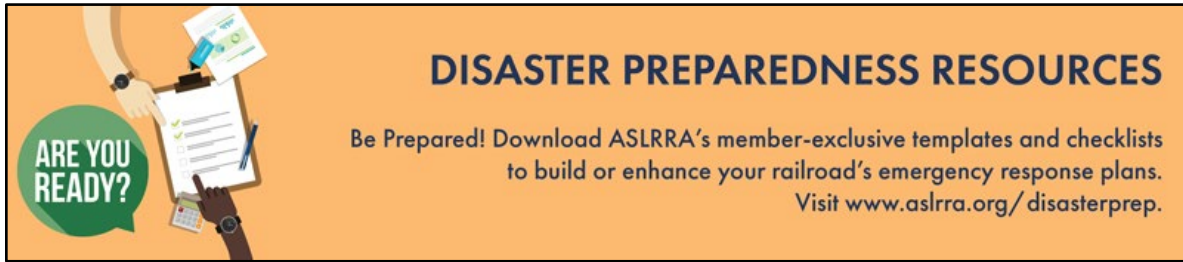
Before the project, track conditions required eastbound trains to potentially slow to 10 miles per hour

as they crested the ruling grade for the railroad. The project alleviated a chokepoint, reduced costs and improved operating efficiency by allowing longer trains to travel on this section of track.



With a \$978,200 CRISI grant, ASLRRRA member Rapid City, Pierre & Eastern Railroad was able to make significant upgrades to its 100-year-old track. This photo from RCPE shows a section of the two-and-a-half mile project: a new turnout and some new 115-pound continuous welded rail.

"This CRISI project is another in a series of long term upgrades we are making to the main line between Pierre and Rapid City, South Dakota, improving our ability to serve our customers and support the economy of South Dakota," said RCPE General Manager Rod Wiseman. "The CRISI federal grant program is an excellent way to realize these improvements much faster than otherwise possible".



**DISASTER PREPAREDNESS RESOURCES**

Be Prepared! Download ASLRRA's member-exclusive templates and checklists to build or enhance your railroad's emergency response plans. Visit [www.aslrra.org/disasterprep](http://www.aslrra.org/disasterprep).

ARE YOU READY?

The graphic features an illustration of a hand holding a clipboard with a checklist, a pen, and a smartphone. A green speech bubble with the text 'ARE YOU READY?' is positioned on the left. The background is a solid orange color.

## Announcements

### Amy Westerman Celebrates Five Years with ASLRRA

ASLRRA congratulates its Vice President of Meetings Amy Westerman on her fifth anniversary with the Association. Many members will likely recognize Westerman, as she is responsible for planning and executing ASLRRA's meetings, events and programs, including the ASLRRA Annual Conference and Exhibition and the regional meetings.



"Amy does a tremendous job for the association arranging, organizing, and executing many of our events and meetings," said ASLRRA President Chuck Baker. "Meeting planning is never exactly a calm, steady, 9-to-5 job, but particularly during the last two years of pandemic-fueled disruption, the job has been a little bit crazy, including a series of re-bookings, re-scheduling, and re-imaginings. Amy has handled it all with grace, competence, and flexibility, just like a good short liner should!"

*Amy Westerman prepares the team to welcome ASLRRA members and guests to one of our Annual Meetings.*

### ASLRRA to Offer Advanced DSLE Training in August – Scholarships Available!

ASLRRA's next training seminar is the [Advanced Designated Supervisor of Locomotive Engineers \(DSLE\) Training Seminar](#), which will be held Aug. 9-10 at the Holiday Inn & Suites BienVenu Event Center in Cedar Falls, Iowa. The seminar will provide training on DSLE responsibilities, including application and administration of 49 CFR Part 240 and Part 242 similarities and differences.

ASLRRA will also offer two additional [training seminars](#) in the fall. Both the ASLRRA Leadership Development Training - Regulatory Module and the FRA Roadway Worker/Bridge Worker Safety (214) Training will take place in Phoenix, Arizona. Leadership development training is scheduled for Sept. 13-14, while roadway and bridge worker training will occur Oct. 4-6. Registration for these seminars will open soon.

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ASLRRA is offering a [new scholarship](#) to eligible railroad member employees to help them pay for training registration fees. Up to \$425 will be awarded to qualified individuals attending ASLRRA-hosted training such as the seminars described above. Applications are accepted on a rolling basis until all funds are distributed. Click [this link](#) to apply.

## **Eastern & Southern Meeting Speakers Announced – Early Bird Discount Ending Aug. 15! Register TODAY!**

Individuals registering for ASLRRA's Eastern and Southern Region Meeting after Aug. 15 will find rates for all events, including golf, have increased. [Register now](#) to take advantage of early bird discounts.

Attendees at the Eastern & Southern Region Meeting will hear from Class I partners and industry leaders including:

- Ed Elkins, Executive VP and Chief Marketing Officer, Norfolk Southern
- Arthur Adams, Senior VP of Sales and Marketing, CSX
- Tom Murta, Executive Director, Short Line Safety Institute

Click [here](#) to see a detailed agenda.

The Eastern and Southern Region Meeting takes place Sept. 26-28 in Atlanta, Georgia. A [hotel block is open](#) at the Hyatt Regency Atlanta, and discounted room rates end Aug. 26. ASLRRA encourages participants to book a hotel room within the block as the Association incurs financial penalties if the block is not filled.

ASLRRA is also accepting sponsors for the meeting. [Click here](#) to view a current list of sponsors and enquire about sponsorship opportunities.

The [Central and Pacific Region Meeting](#), held in conjunction with the [Finance and Administration Seminar and General Counsel Symposium](#), will take place Oct. 25-27 in Milwaukee, Wisconsin. Registration for these events will open soon, but participants can already [book hotel rooms](#) in the Association's hotel block at the Hyatt Regency Milwaukee.

## **Disaster Preparedness Website Features Resources, Links to Help Members Plan for Adverse Events**

Severe weather events can have catastrophic effects on railroad infrastructure and operations. ASLRRA's [disaster preparedness website](#) features numerous resources to help railroads plan for adverse events like flooding and recover from them when they occur.

The site includes financial assistance resources for small business owners and individuals living within a designated natural disaster area. This [link](#) identifies different types of financial disaster relief for which some companies and their employees may be eligible.

Other resources on ASLRRA's page include templates and checklists members can use to develop emergency plans, which can also be utilized as training tools. There are also instructions for filing emergency dockets, direct links to [Ready.gov](#), the U.S. Department of Homeland Security's disaster preparedness website, and links to ASLRRA's [On-Demand Webinar library](#) featuring recordings that discuss topics such as crisis communications and hazardous materials incident reporting.

## **COMPLIANCE TEMPLATES**

Click here for member-exclusive templates and additional resources.



## ASLRRRA Webinars

### Webinars On-Demand

#### ASLRRRA's Most Recent Live Webinars Are Now Available to Members On-Demand

A recording of ASLRRRA's recent webinar on the Federal Railroad Administration's updated Part 240/242 railroad audit process is now available to members in the Association's [On-Demand Webinar Library](#).

Other webinars from June and July can be found in ASLRRRA's online library, including

- FRA's CRISI Grant Program: Preparing for FY '22 Funding Round
- The New Infrastructure Law: Taking Advantage of New Resources and Grant Programs
- Part 243 Railroad Obligations with Contractors

These webinars are only a few of the over 170 recordings available on a wide variety of topics including finance, human resources and technology. ASLRRRA members can access the On-Demand Webinar for free while non-members can purchase a subscription. [Click here](#) to access the webinar library today.

Click [here](#) to learn more about ASLRRRA's education offerings.

## Industry Events and Announcements

### Railroad Crossing Elimination Grant Program Webinar Recording Now Available!

The Federal Railroad Administration (FRA) recently hosted a webinar about the new [Railroad Crossing Elimination \(RCE\) Grant Program](#) established under the [Bipartisan Infrastructure Law](#), and its [FY 2022 Notice of Funding Opportunity \(NOFO\)](#). You can now view a recording of the webinar and download the presentation materials on [FRA's Training and Guidance Webinars page](#) under the Grants and Loans tab.

The RCE Grant Program makes more than \$573 million available in funding for highway-rail and pathway-rail grade crossing improvement projects that focus on improving the safety and mobility of people and goods. The RCE program will benefit infrastructure throughout the country, including in tribal and rural communities, and in U.S. territories and possessions.

FRA staff provided an overview of the RCE Grant Program, including the goal of the program, availability of funding, eligibility, how to apply, best practices, and the role of the National Environmental Policy Act (NEPA) in federally funded transportation projects.

Click [here](#) for a calendar of industry events.