



## American Short Line and Regional Railroad Association

---

June 16, 2022

The Honorable David Price  
Chairman  
Subcommittee on Transportation, Housing,  
Urban Development and Related Agencies  
House Committee on Appropriations  
2358-A Rayburn House Office Building  
Washington, DC 20515

The Honorable Mario Diaz-Balart  
Ranking Member  
Subcommittee on Transportation, Housing,  
Urban Development and Related Agencies  
House Committee on Appropriations  
1036 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Price and Ranking Member Diaz-Balart:

On behalf of the 600+ short line freight railroads nationwide, I write urging you to build on the momentum established in the recent infrastructure legislation and fund the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program at the full authorized levels in the Fiscal Year 2023 transportation appropriations bill. Ensuring that vital, robust resources are available for short line freight rail through CRISI will help achieve important goals like supporting sustainability, spurring economic growth, reducing supply chain inefficiencies, and ensuring a safe rail network for all who rely on it.

### **We urge you to provide robust CRISI funding in the Fiscal Year 2023 appropriations bill**

Short line freight railroads are tied to 478,000 jobs nationwide, \$26.1 billion in labor income, \$56.2 billion in economic value-add, and provide a service that 10,000 businesses nationwide rely upon to get goods and products to and from market daily.<sup>1</sup> We are critical to the nation's supply chain, serving as the first and last mile between suppliers and customers and the global economy. Without the link we provide, our country's supply chain would see significant snarls, and the many industries we serve – manufacturing, agriculture, energy, chemicals, minerals, metals, and timber – would endure dramatic disruptions.

Short line freight railroads are all small businesses that operate on track and rely on bridges and tunnels that were at risk of being abandoned and were largely outdated when they were acquired from larger railroads, often decades ago. This backlog requires extensive investments, making short line railroading one of the most capital-intensive industries in the country, requiring short lines to invest on average 25% to 33% of their annual revenue in upkeep.

In 2015, Congress recognized these needs and took action, creating CRISI and making Class II and Class III short line railroads directly eligible recipients of competitive funds. Since the first grants were awarded in 2017, short lines have used program resources to upgrade ties, siding, ballast, and track so that industry-standard 286,000-lb railcars can move safely and efficiently. Short lines have revitalized vast sections of the rail network

---

<sup>1</sup> The Section 45G Tax Credit and the Economic Contribution of the Short Line Railroad Industry, prepared by PWC for the American Short Line and Regional Railroad Associations (ASLRRA) (2018).

and allowed for greater volume of service, eliminating bottlenecks, and reducing congestion – as well as harnessing the enormous environmental and safety benefits of moving goods and freight by rail.<sup>2</sup>

Even with these smart, sensible investments, our industry estimates more than \$12 billion is necessary to allow short line railroads to modernize and meet the country’s freight needs.<sup>3</sup> In 2021, Congress passed the Infrastructure Investment and Jobs Act (IIJA), recognizing so many unmet needs facing our national rail network, dramatically expanding CRISI’s scale, providing advance appropriations of \$1 billion per year for five years, and authorizing an additional \$1 billion per year. Eligibility for upgrading locomotives to achieve significant reductions in emissions was also added.

In the recent Fiscal Year 2022 omnibus bill, due to your leadership, Congress provided \$625 million for CRISI pursuant to the new, heightened authorization level. The Biden administration, in its Fiscal Year 2023 transportation request, sought \$500 million. While a sizeable amount and a true statement of support for the program, the budget request effectively – and perhaps inadvertently due to the timing of the omnibus and the budget – cuts federal funding for this vital economic incubator. Nevertheless, when this discrepancy was noted to the administrator of the Federal Railroad Administration (FRA), Amit Bose, on June 14, 2022 at a hearing before the House Committee on Transportation and Infrastructure, Administrator Bose noted how he wanted to make sure the program continued “robustly.” Earlier in the hearing, he noted, “Short lines play such an important role in the railroad network that we have, and we want to do everything possible to make sure that they are robust and have the funding to make the improvements that they need...the CRISI program is such a great tool to do that.”

We urge you to fund CRISI at the full authorized level in the Fiscal Year 2023 Transportation, Housing and Urban Development spending bill. A full authorization – coupled with the advance appropriations – will help improve the environment by moving freight off the road to the greener, more sustainable rail alternative. Funding at the full authorization will allow more railroads to double down on safety enhancements and bolster network fluidity, helping countless rural and urban communities get goods to and from market. This imperative – realizing the forward-looking, freight-focused promise of the IIJA – is borne by the strong support from a wide, bipartisan cross-section of supporters in the Senate and House, reflected in letters in letters to your panel led by Reps. Tim Burchett (R-TN) and Cheri Bustos (D-IL), and Rep. Sylvia Garcia (D-TX) (attached).

### **We urge you to ensure there is a level playing field in the CRISI competitive process**

With a level playing field in the competitive process, short line projects have fared well in many recent rounds. In the recent Fiscal Year 2021 awards announced in early June 2022, for example, 24 short line freight railroads were beneficiaries out of a total of 46 awards. This momentum should be sustained, with continued flexibility in granting awards and a focus on the good CRISI can bring to both rural and urban communities. Many short line railroads have a diverse and varied set of freight-moving projects in the pipeline waiting for a chance to compete.

We discourage set-asides within CRISI for passenger rail projects or expansions to include major new eligible applicants such as commuter railroads. With so many forces challenging our supply chain, short lines ought to remain viable competitors for these limited funds. While we have no opposition to passenger rail, as the committee knows well, IIJA already provides Amtrak and passenger rail applicants with \$16.4 billion in

---

<sup>2</sup>Since 2017, there have been 230 CRISI awards totaling more than \$1.5 billion, benefiting 47 states: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

<sup>3</sup> ASLRRRA’s capital investment needs estimate based on compendium of studies from the Federal Railroad Administration, Kansas State University, American Association of State Highway Transportation Officials (AASHTO), and ZETA-TECH Associates.

authorized and emergency for Fiscal Year 2023 alone; it would be unfair and unnecessary to divert limited funds that would otherwise be open to short lines toward passenger rail activities flush with resources.<sup>4</sup>

**We urge you to fund other key discretionary programs at their fully authorized IJJA amounts**

IJJA also provides substantial funding levels for several other programs, including the Local and Regional Project Assistance Program (RAISE), the Nationally Significant Freight and Highway Projects Program (INFRA), the new Railroad Crossing Elimination Program, and the Port Infrastructure Development Program (PIDP). We support robust funding for these programs in the next appropriations bill because they play a critical role in keeping goods and freight moving swiftly and efficiently, and because short line projects are among the dozens of types of projects eligible for resources.

**We urge you to fund SLSI and Operation Lifesaver accounts at a robust level**

The Short Line Safety Institute (SLSI) has been instrumental in improving safety culture at short line railroads nationwide. SLSI provides critical training, education, research, and assessments, and its staff undertake other activities that lead to enhanced safety practices throughout the rail industry. SLSI has seen tremendous success in improving safety awareness and preventing injuries and accidents, having assessed almost 100 railroads and interacted with more than 10,000 railroad workers in recent years. SLSI enhances the industry's safety culture with published research and value-added work and insight. SLSI's training programs for the safe and compliant transportation of hazardous materials are critical for communities and railroad worker safety, and they continue to be in high demand for rail stakeholders. Operation Lifesaver (OLI), similarly, is an entity that advances safety on the nation's railroads, focusing vigorously on efforts to prevent collision, injuries and fatalities on tracks and at highway-rail grade crossings.

We recommend funding SLSI at \$3 million for Fiscal year 2023 and continuing to support funding SLSI and OLI through the FRA's R&D accounts, which were bolstered by IJJA. Continuing to fund these safety efforts from the traditional sources allows CRISI and other FRA accounts to remain available for critical projects that will bolster the rail network and help break up bottlenecks – while also advancing safety and sustainability.

**Finally, we urge you to continue to exclude any language allowing longer or heavier trucks on our roads.**

Oversize and overweight trucks can harm roads and bridges, require undue maintenance expense, and jeopardize the safety and well-being of motorists. We greatly appreciate your continued efforts, as reflected in the Fiscal Year 2022 omnibus bill, to include language that ensures that policy decisions concerning truck size and weight limits are guided by proper science and research to ensure trucks and other commercial vehicles minimize damage to our road network, pay their fair share for road use, and present no undue safety hazard to others on our roadways.

---

<sup>4</sup> Fiscal Year 2023 passenger rail funding includes funds for Amtrak and the Northeast Corridor (\$1.1 billion authorized, \$1.2 billion in advance appropriations), which could benefit commuter rail; Amtrak's national network (\$2.2 billion authorized, \$3.2 billion in advance appropriations), and the Federal-State Partnership for Intercity Passenger Rail Grant Program (\$1.5 billion authorized and \$7.2 billion in advance appropriations).

## Conclusion

We appreciate your close attention to these matters and your efforts to advance policies that keep heavy freight on the rail network (instead of on other modes, like trucks), which is safer, more environmentally friendly and helps lessen the deterioration of publicly-funded roadways.

We stand ready to answer questions or discuss these items further.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Baker', written in a cursive style.

Chuck Baker  
President  
American Short Line and Regional Railroad Association (ASLRRA)