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ASLRRA's Chuck Baker Calls on Congress to Continue Robust Federal Grant Programs for Short Line Freight Rail Infrastructure

Baker details the impact of CRISI and other grant programs on short line industry, and provides guidance on how programs can be improved to work more effectively

WASHINGTON, March 7, 2024 – Chuck Baker, President of The American Short Line and Regional Railroad Association (ASLRRA), provided testimony in today's hearing, "Department of Transportation Discretionary Grants: Stakeholder Perspectives," convened by the U.S. House Committee on Transportation and Infrastructure.

"With the help of federal grants, short lines have revitalized significant sections of the rail network, allowing for greater service volume, elimination of bottlenecks, and reduction of congestion as well as harnessing the measurable environmental benefits of moving freight by rail. Perhaps most important, every dollar invested in improving rail infrastructure is a dollar invested in rail safety," said Chuck Baker.

Short lines have competed for funding in many of the programs created by the Infrastructure Investment and Jobs Act (IIJA), including the Railroad Crossing Elimination program (RCE), the Nationally Significant Multimodal Freight and Highway Projects program (INFRA), the National Infrastructure Project Assistance program (Mega), the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, the Rural Surface Transportation grant program, and the Port Infrastructure Development Program (PIDP). However, the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program provides the broadest eligibility for short line projects and is the one easiest for small railroads to access, as they are directly eligible recipients.

The most recent CRISI awards, announced in September 2023, were the first made under the new levels called for in the IIJA. Forty-seven short line projects were selected for awards, improving grade crossing safety, upgrading track to industry-standard, repairing bridges, and replacing locomotives. In all, projects in 48 states have received awards via CRISI since the program's first grants were announced in 2017.

Despite this success, Baker noted that short lines estimate that there is at least \$12 billion worth of investment still required to rehabilitate short line infrastructure nationwide. Moreover, a new group of challenges is on the horizon that will require additional investment, including new cybersecurity and TSA regulations and the anticipated crew size rule that threatens to mandate unnecessary hiring. There are also potential new state-level requirements such as one in California that will impose significant new financial obligations on short line railroads -- a rule so drastic that the agency implementing the rule, the California Air Resources Board (CARB), even admits some short lines "would be eliminated" due to "the costs of the Proposed Regulation."

In order to meet these challenges, and to ensure that short lines continue to secure federal grant funding, Baker noted several areas that warrant a closer look by Congress and the agencies that manage the awards process.

"Competitive federal grant opportunities have bolstered our industry's ability to serve customers in the thousands of rural and urban communities where we operate, to drive local economies forward, and to increase the fluidity and efficiency of the national freight rail network and the overall supply chain," said Baker. "We urge Congress to keep the CRISI program focused on freight rail, and ensure a level playing field for small short line projects. In all programs, ensure that the processes for grant applications, awards,

and funding are streamlined and transparent, and finally, that the agencies are well staffed with subject matter experts for all phases."

For a full transcript of Baker's testimony, click here.

About ASLRRA - The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association representing the interests of the nation's 603 short line and regional railroads (Class II and III railroads) and railroad supply company members in legislative and regulatory matters. Short lines operate 47,500 miles of track in 48 states, or approximately 29% of the national railroad network, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network, particularly in rural and small-town America. Categorized as small businesses, short lines transport all commodities, with the agriculture, energy and manufacturing sectors being particularly reliant on short line service. www.aslrra.org