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ASLRRRA's Chuck Baker Outlines Short Line Freight Transportation Priorities At House T & I Subcommittee Hearing

Robust CRISI funding, modal equity and balanced regulation highlighted as areas where Congress can ignite growth in 2025 and beyond

WASHINGTON, January 23, 2025 – Today Chuck Baker, President of the American Short Line and Regional Railroad Association (ASLRRRA), testified before the U.S. House of Representatives Committee on Transportation and Infrastructure's Subcommittee on Railroads, Pipelines, and Hazardous Materials in a hearing titled, [America Builds: Examining America's Freight and Passenger Rail Network](#).

“For decades, the Members of this Subcommittee have advocated for public policies that have allowed short lines to survive and thrive,” said Chuck Baker, President of ASLRRRA. “The title of this hearing is “America Builds” and short lines are indeed eager to build! Infrastructure investment from CRISI, policies that provide a fair and competitive playing field for transportation options such as a user funded Highway Trust Fund and maintaining current truck size and weight maximums, and regulations that are flexible enough for small businesses to reasonably implement will all play a very important role in the short line industry's ability to build and we urge that they be enacted as you write the country's next surface transportation bill.”

Baker shared that despite making full use of grant opportunities provided for in Consolidated Rail Infrastructure and Safety Improvements Program (CRISI), short lines still face challenging

economics that jeopardize their ability to compete and offer carload growth that benefits the entire industry.

“Short lines estimate that there is a backlog of more than \$12 billion of improvements still to be completed, a heavy lift for a group that maintains approximately 33% of the U.S. freight rail network but earns just 6% of the revenue of the total U.S. freight railroad industry,” noted Baker.

During his testimony, Baker highlighted the transformative impact of CRISI grants on short lines. CRISI is the only federal rail infrastructure grant program that short line railroads are directly eligible for. Since the program was enacted, some 240 CRISI grants have been awarded that benefited short lines, totaling over \$2.7 billion.

Baker noted six important benefits for short line railroads and for the communities and customers they serve. CRISI projects

- Allow the biggest projects to be tackled – projects that would have no hope of being funded with revenue dollars alone, but stand to provide the biggest growth opportunity to the region. With March Madness approaching, Baker likened these to projects that CRISI would help get off the bubble and into the tournament.
- Address safety – many of the projects directly address worn out track and ties, the most common causes of derailments on short lines.
- Create jobs – the project construction and the resulting business growth creates new jobs, often in rural areas and small towns. Almost all products used in rail construction are U.S. manufactured.
- Lead to improved environmental impact – most projects help move freight to rail which benefits the environment and some projects directly upgrade locomotives.
- Spur economic development – a strong rail transportation option leads to growth along the rail lines with new customers, or more opportunities with current customers.
- Improve customer service – short lines are already known for their friendly, flexible, and customized service tailored to their customers, and CRISI allows short lines to further improve that service.

“The ripple effect of a project is felt from each small town and rural community the railroad serves to the greater region, and to the entire interconnected freight rail network. Because of CRISI, transformational projects are possible. Because of CRISI, short line railroads are safer,

customers are better served, and small towns and rural communities have new jobs. As more freight moves by rail, the air is cleaner, the public roads are safer and less congested, and taxpayers are on the hook for less highway maintenance.”

Baker also gave suggestions to further improve CRISI, and urged Committee members to retain the advanced appropriations model in the next Surface Transportation Reauthorization Bill.

Baker asked Committee members to carefully consider modal equity as they determine the path forward for highway funding. The freight rail industry largely pays for its own infrastructure, while the trucking industry has now benefited from the Highway Trust Fund receiving a stunning \$275 billion from the U.S. Treasury's general fund to cover shortfalls.

Similarly, further increases to truck size and weight would harm public finances, requiring more dollars for highway maintenance and would harm public safety as freight would be shifted off of the rail and onto the highway system.

Finally, Baker reminded Congress that the industry is already heavily regulated via the Federal Railroad Administration and that new regulations should be focused on solving actual safety problems and be practical for small business short line railroads to implement.

“We encourage Congress to be aware of unintended consequences to broader transportation safety - when regulations increase the cost of freight railroading or degrade freight rail service, they risk shifting freight traffic from the largely privately funded and safer rail network to the largely publicly funded and less safe highway network. Short lines can only thrive if our mostly small business entrepreneurs are given the flexibility and discretion to run their railroads in a manner that is safe, customer-focused, and still cost-effective,” stated Baker.

The hearing included testimony from Mr. Ian Jefferies, President and Chief Executive Officer, Association of American Railroads, Mr. Joe Daloisio, Chairman, National Railroad Construction & Maintenance Association, Mr. Jared Cassity, Alternate National Safety and Legislative Director, Sheet Metal Air Rail Transportation-Transportation Division (SMART-TD).

A copy of ASLRRRA's written testimony is available [here](#).

About ASLRRRA - The American Short Line and Regional Railroad Association (ASLRRRA) 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 50,000 miles of track in 49 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