

February 26, 2018

United States House of Representatives

Dear Members of the Committee on Appropriations:

As you work to finalize Fiscal Year 2018 Appropriations for Transportation, Housing and Urban Development, and Related Agencies, the OneRail Coalition urges you to support investments in rail infrastructure and operations. These investments will create and maintain good domestic jobs, spur economic growth, relieve road and air congestion, protect the environment, and enhance safety in what is already one of the safest modes of transportation.

In December 2015, Congress passed a multi-year surface transportation authorization bill (FAST Act, P.L. 114-94) with overwhelming bipartisan support (83-16 in the Senate and 359-65 in the House). With the budget deal struck earlier this month prioritizing infrastructure investments, OneRail now urges Congress to fully fund the following provisions at or above the authorized FAST Act FY2018 levels:

| The <b>Northeast Corridor</b> supports the nation's critical   | The <b>Consolidated Rail Infrastructure and Safety</b>   |
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| rail corridor extending from Boston down to  | <b>Improvements (CRISI)</b> program is a national program  |
| Washington, DC. Amtrak's grant and legislative request   | with passenger and freight eligibilities, covering   |
| is \$358m, consistent with the overall Amtrak FAST Act   | important rail safety (including PTC implementation)   |
| authorization of \$1.6b.   | and capital needs: authorized at \$230m.   |
| The <b>National Network</b> supports both the continued<br>operation of the national intercity passenger rail<br>network and state-supported routes: Amtrak's<br>grant and legislative request is \$1.242b, consistent<br>with the overall Amtrak FAST Act authorization of<br>\$1.6b. Within the national network, we note that<br>elimination of long-distance routes would be a<br>major disruption to the intercity passenger rail<br>network and would also likely be counter-<br>productive as far as budget savings go. | The <b>Federal-State Partnership for State of Good</b><br><b>Repair</b> program provides funding for capital projects<br>to improve or replace faltering infrastructure assets:<br>authorized at \$175m. |
| New Starts/Small Starts/Core Capacity Capital  | The <b>Restoration and Enhancement</b> program   |
| Investment grants are used throughout the country  | provides grants for restoring or improving intercity   |
| to leverage local investments to build and expand  | passenger rail routes to underserved communities in  |
| commuter rail, light rail, and heavy rail systems:   | need of economic development and mobility:   |
| authorized at \$2.3018b.   | authorized at \$20m.   |

OneRail also supports using the appropriations process to increase the funding dedicated to the **Section 130 railway-highway grade crossings program** via the FAST Act, similar to the \$130m increase to the program provided in the FY2016 THUD appropriations bill. This would increase FY18 funding to \$365m.

Section 130 funds are apportioned to States annually for the installation of new grade crossing warning devices, the upgrade of existing devices and surfaces, and the separation and closure of grade crossings. This program has helped dramatically reduce grade crossing collisions over the past few decades (down more than 50% since program inception in 1987 despite an increase in both rail traffic and VMT), but with more than 125,000 public grade crossings in the United States and growing freight and passenger rail traffic alongside growing truck and automobile traffic, there is more to be done.

In addition, the OneRail Coalition supports robust funding of the competitive, merit-based, **TIGER grants program** to enable States and local governments to build innovative multi-modal and multijurisdictional projects, frequently in partnership with significant private contributions. Within TIGER, OneRail supports adding a **RRIF Credit Risk Premium (CRP)** subsidy as an eligible use, identical to the way that a TIFIA subsidy is an eligible use. This would be consistent with the Administration's FY18 budget request to eliminate the prohibition on using federal funds for the CRP.

Also, OneRail encourages Congress to clarify Congressional intent and longstanding practice that loans made under RRIF, TIFIA, and similar federal loan programs should not count as federal share when calculating federal and non-federal shares for the purposes of federal grant programs. **If a loan is being repaid with state, local, or private funds, that should be considered part of a non-federal share.** For many years, federal loan programs like RRIF and TIFIA have been effective vehicles for state and local governments to finance the local funding component of major infrastructure projects – treating these loans as part of a federal share would make them harder to use and could thus negatively impact the advancement of future infrastructure projects across the nation.

## And the OneRail Coalition urges there to be no changes in Federal truck size and weight laws.

At a time when state and local transportation departments are straining to meet infrastructure maintenance demands, actions that will accelerate highway damage and costs by diverting freight traffic from privately funded railroads to publicly subsidized roads and putting heavier trucks on those roads are not in the national interest.

Further, actions that would divert freight traffic from the railroads to the nation's highways would add to highway congestion, fuel consumption, and harmful emissions. Finally, diversion of freight from rail to truck could diminish railroad resources available to invest in the rail infrastructure network on which growth in freight rail, intercity passenger rail, and commuter rail service depends.

Finally, in addition to the above provisions in the jurisdiction of the THUD Subcommittee, with regards to the FY18 Appropriations for Labor, Health and Human Services, Education and Related Agencies, OneRail urges Congress to fully fund the **Railroad Retirement Board (RRB)** at the level requested by the agency: \$117.506 million plus \$40 million in no-year funds for IT modernization. The additional \$40 million was recently requested by the Administration in an addendum to the original FY18 Budget request for a long overdue modernization of the 40-year-old legacy mainframe and related hardware and software services. These upgrades will enable the RRB to provide basic modern IT services, while delivering future savings to the agency and the tax-paying railroad employees.

In conclusion, the OneRail Coalition believes that rail is a crucial component of an efficient transportation network that allows people and goods to move quickly and safely to their destinations, enhancing productivity, creating jobs, and allowing America to remain the largest and best functioning economy in the world. A smooth logistics system with intermodal connectivity and without major chokepoints also strengthens our exporters' ability to compete in the global economy.

The nation's privately owned freight railroads are investing billions in their own infrastructure and equipment – averaging about \$25 billion per year and more than \$650 billion total since 1980. While this private sector investment will continue on the freight network, public investments in rail transportation infrastructure, particularly for passenger rail, are also critical to spur economic growth and encourage new business development, adding new jobs and expanding employment opportunities nationwide. Intercity and commuter rail along with other rail transit systems move people more than 100 million passenger-miles every week day in urban and rural America - public investment is essential to maintain reliability and grow these services.

Investment in rail infrastructure, both private and public, also supports hundreds of thousands of good-paying private sector rail supply and service jobs throughout the country. The record is clear that rail is safe, productive, efficient, and environmentally sustainable, and that rail promotes energy independence and contributes positively to public health and well-being.

The OneRail Coalition thanks you for considering our thoughts. We would be pleased to discuss the benefits of rail investments in greater detail with you.

Sincerely,

Anne Canby Director, OneRail Coalition

## About the OneRail Coalition:

OneRail is a diverse group of rail stakeholders who have come together to educate America about the benefits of a strong freight and passenger rail system. Our members include the American Association of Private Railroad Car Owners (AAPRCO), American Public Transportation Association (APTA), American Short Line and Regional Railroad Association (ASLRRA), Amtrak, Association of American Railroads (AAR), Brotherhood of Locomotive Engineers and Trainmen (BLET), Brotherhood of Maintenance of Way Employees (BMWE), Brotherhood of Railroad Signalmen (BRS), National Railroad Construction and Maintenance Association (NRC), Rail Passengers Association (RPA), Railway Supply Institute (RSI), Railway Engineering-Maintenance Suppliers Association (REMSA), SMART Transportation Division, States for Passenger Rail Coalition (S4PRC), and the Transportation Communications International Union/International Association of Machinists (TCU/IAM).

Our Corporate Supporters include AECOM, Alstom, Progress Rail/Caterpillar, GE Transportation, HNTB, Siemens, Wabtec, and WSP. These global companies represent the engineering and manufacturing sectors that are an essential component of private sector job creation in the transportation industry in the United States.

The OneRail Coalition is a project of the Surface Transportation Policy Project.