Special Reports

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From RTA Staff Reports

During a series of congressional meetings in March, RTA members joined with rail interests to seek support for several key legislative initiatives. This year’s focus for Railroad Day on the Hill was HR 1020 and the repeal of the 4.3-cent fuel tax (HR 1024).

HR 1020 would provide $350 million annually for three years to help smaller railroads upgrade track to handle 286,000-pound rail cars. A recent study conducted for the short line industry indicated that final capital requirements to make this happen would exceed $6 billion. HR 1020 would provide federal assistance in this effort.

For suppliers, the benefits are self-evident. More capital for maintenance and track upgrade means more ballast, rail and tie purchases. “HR 1020 is not only vital for the health of the short lines but is also absolutely critical for the producers of track components,” said Jim Gauntt, RTA executive director.

Gauntt further explained that approximately 40 to 50 percent of track maintenance money is used for tie installation. He said, “It doesn’t take much to see that tie suppliers who have suffered several slow years in a row need this capital infusion as much as their customers.”

Thus, in the largest RTA turnout ever for Railroad Day on the Hill, representatives from Koppers Industries, Gross & Janes Co., Kerr-McGee Chemical LLC, and Burke-Parsons Bowlby Corp. joined RTA staff in a day and a half of congressional calls. A complete list of attendees appears in the sidebar.

The first meeting with House Transportation Committee Chairman Tom Petri (R-WI) occurred in conjunction with the Rail Supply and Services Coalition (RSSC); RTA is a member of RSSC.

Petri pointed out that failure to secure federal assistance for infrastructure investment could doom large segments of the existing rail network to be abandoned. This would result in rural areas being cut off from rail transportation provided by short lines and would create enormous economic hardship. In addition, Petri noted that competing modes of transportation have received billions of dollars in assistance over the years and that it was time to level the playing field.

Meetings with other congressional leaders continued the next day. Included in the discussions was the much sought-after repeal of the 4.3-cent fuel tax. Railroads and barges are the only entities that continue to pay this tax toward “deficit reduction.” Trucks and airline payments of this tax are returned to them through federal trust funds to assist in their infrastructure needs. So, railroads, which privately finance their infrastructure, and barges, which do not, are the only modes of transportation still discriminated against in this way.

By the end of the day, team leaders were reporting success. Many new supporters for the swift passage of HR 1020 had been secured, raising the hope that passage could come within a few weeks. “It can’t come soon enough” was a quote heard loudly and often as Railroad Day on the Hill 2002 came to a close.

RTA wishes to thank the following companies and individuals for making such a strong showing in support of railroads on Capitol Hill during Railroad Day on the Hill 2002.

Gary Ambrose, Koppers Industries Inc.; John McGinley and Jeff Broadfoot, Kerr-McGee Chemical LLC; Matt Clarke, Gross & Janes Co.; Tony Chambers and Floyd Bowlby, Burke-Parsons-Bowlby Corp.; Anne Holloway, American Wood Preservers Institute; Steve Bolte, Progressive Railroading Magazine; and Jim Gauntt, RTA executive director.

Several of these individuals, along with RTA Administrator Debbie Corallo, joined in supporting the fundraiser for Congressman Todd Tiahrt (R-KS) that was held during the proceedings. Tiahrt is now circulating a letter asking for support from Republican members of Congress who have not yet signed on to HR 1020.