

Contact: Sean Winkler, REMSA, Grassroots Coordinator  
(202) 715-2917 // [winkler@remsa.org](mailto:winkler@remsa.org)

## REMSA Announces 2017 Advocacy Priorities

**Washington, DC** – Today, the Railway Engineering-Maintenance Suppliers Association (REMSA) announced its three advocacy priorities for 2017. REMSA is focused on working directly with its members and associated railroad and rail supply associations to implement a pro-rail agenda. REMSA's priorities are centered on preventing misguided regulations, promoting pro-growth tax reform, and ensuring President Trump's nominees to the Surface Transportation Board (STB) are fair-minded and speedily confirmed.

"These priorities make clear that we are focused on effectively representing our members in Washington," says David Tennent, Executive Director, REMSA. "Our members are ready to stand with our counterparts to ensure Congress and the Trump Administration are aware of our priorities and promote a pro-rail, pro-manufacturing agenda."

"With President Trump and the 115<sup>th</sup> Congress now sworn in, our policy makers must be made aware of the devastating impact proposed STB regulations will have on railroad suppliers, but also of the opportunities to implement a pro-growth and pro-rail agenda," says Bruce Wise, President, REMSA. "We look forward to working with our railroad and rail supply counterparts to promote sound policies."

### **1. Preventing Regulations That Discourage Railroad Investments**

This past summer, the STB released a series of proposed regulations that risk disrupting steady investment in America's rail network. In 2015, railroads invested over \$30 billion into the U.S. rail network. These investments promote an efficient, modern, and safe rail system, while supporting hard working railway suppliers throughout the United States.

While REMSA believes the STB is misguided in its attempt to re-regulate commodities and limit shipping rates, we are particularly concerned about the STB's Notice of Proposed Rulemaking (NPRM) on forced access. Under the STB's *Competitive Access* NPRM, railroads would be required to give their competitors access to their rail lines. This introduces a radical approach forcing railroads to surrender their privately owned property for the use of a competing railroad, which may choose to operate at below-market rates and without proof that they are being uncompetitive. Most alarmingly, this forced access proposal would disrupt network efficiencies, which would limit revenues and discourage sustained investments and maintenance of the rail system. These investments are critical to supporting high-wage rail and supplier manufacturing jobs throughout America's heartland.

### **2. Pro-Growth Tax Reform**

Congress and the Trump Administration have both signaled that they will devise a tax reform package early this year. Leaders promise a simpler and fairer tax code. Reducing the corporate rate — the highest in the industrialized world — to a globally-competitive level will broaden the tax base, enhance U.S. economic development, promote growth and reduce debt. Revamping our outdated tax code will allow large freight railroads to increase their reinvestments to upgrade and expand transportation

infrastructure. This will benefit a wide swath of American industries; our ports, mines, farms, food and energy producers all depend on reliable rail service.

However, short line railroads face unique investment challenges playing their critical role providing the “first and last mile” of our transportation infrastructure. Tax reform efforts must consider the unique challenges facing our customers of all sizes in maintaining safe and efficient transportation. For the past 12 years Section 45G has proven that President Trump's proposals to promote private infrastructure investment through the tax code can succeed while being both simple and fair.

### **3. Appointment and Confirmation of New Surface Transportation Board Nominees**

The STB was reauthorized by Congress in 2015. In the reauthorization, Congress made several substantive changes to the STB including making it a stand-alone agency and expanding its Board from three to five members. The Trump Administration has indicated that it will propose a substantive infrastructure package this year. However, we encourage the Administration to nominate fair-minded regulators to the STB. Appointing fair-minded regulators to the STB will signify the Trump Administration’s seriousness on tackling our transportation and infrastructure challenges. These individuals should understand the economic principles that shaped the 1980 Staggers Act and still help ensure railroads can earn necessary revenues today. A vibrant privately owned freight rail sector lessens financial burdens and deterioration of public infrastructure.



*REMSA is a non-profit trade group representing over 340 railway engineers, contractors, and consultants and maintenance-of-way suppliers across the country. The \$5 billion railroad maintenance-of-way industry supports over 35,000 jobs nationwide.*