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## **NRC Comments on House Surface Transportation Bill, STRRA**

On behalf of the 400+ members of the National Railroad Construction and Maintenance Association (NRC), I write in **support of the bi-partisan “Surface Transportation Reauthorization and Reform Act of 2015.”** We commend Representatives Shuster, DeFazio, Graves, and Holmes Norton on this bill and **urge it to be favorably reported out of committee.**

The NRC is particularly pleased with:

- The new **Nationally Significant Freight and Highway Projects (NSFHP) program with its intermodal eligibility**, which will allow for the advancement of critical freight projects which have proven impossible to fund through traditional channels. This program builds nicely off of the good work done by the House T&I Panel on 21st Century Freight Transportation.
- The recognition of the value of the **Section 130 grade crossing program**
- The creation of the **National Surface Transportation and Innovative Finance Bureau** and the related **Council on Credit and Finance**, which could meaningfully improve the implementation of the valuable **RRIF** program
- The robust **project delivery and permitting reforms**, which will help take unnecessary delays out of the development, permitting, and construction process

The NRC looks forward to working with Congress to further strengthen this bill as it moves through the legislative process, particularly in the following two areas:

- 1) The **overall funding levels** contemplated in the bill are at baseline rates, which are widely recognized to be insufficient to address our country’s true needs.
- 2) The **intermodal eligibility within the new NSFHP should not be artificially capped** at \$500m over six years, which is only 11% of the total value of the program. We believe that there should be no cap at all, and that projects should compete based on their ability to improve the flow of freight in this country regardless of mode, but if there is to be a cap, 11% is simply too low. A reasonable target would be the % of funding in the bill that is provided by non-highway user fees, which is approximately 30% over the first three years of the bill, which would result in a **\$1.5b cap**.

In addition, **the 10% of annual funding that is reserved for smaller projects with a \$5m minimum should be available for all Section 1111 eligible projects**, including highway and bridge projects on the National Highway System, intermodal and rail freight projects on the National Multimodal Freight Network, and railway-highway grade crossing and grade separation projects, not just projects on the National Highway Freight Network. **Short line railroad projects in particular will be completely shut out of competing for this program without this change.**

These changes would provide increased flexibility to state DOTs, MPOs, port authorities and other applicant classes to address their most pressing freight needs, regardless of mode, and they would not increase the overall cost of the program or the broader bill.

Finally, the NRC joins the freight and commuter railroads, shipper groups, rail passengers, and editorial boards across the country to reiterate the **time-sensitive need to provide an adjustment to the impending Positive Train Control deadline**. While NRC members are working hard every day to assist their freight and commuter rail customers in implementing this extraordinarily complicated and challenging system across the entire railroad network, we have now all known for years that December 31, 2015 was an unrealistic deadline, and the time has come to adjust the implementation schedule to reflect reality. The consequences of inaction, or even of untimely action, are not acceptable. Even the proposed plans under consideration will still be challenging to meet, but we are committed to helping get this done as safely and as quickly as possible.

Again, we are encouraged to see the progress being made on this bill, and we offer our thanks and appreciation for the extraordinarily hard bipartisan work over the last few months to get to this moment.

Thank you for your consideration.

For more information, please contact:

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