

**RESOLUTION IN SUPPORT OF S. 407 and H.R. 721
BUILDING RAIL ACCESS FOR CUSTOMERS AND THE ECONOMY**

BY THE RAILROAD-SHIPPER TRANSPORTATION ADVISORY COUNCIL

WHEREAS, under the Interstate Commerce Commission Termination Act of 1995, Congress created the Railroad-Shipper Transportation Advisory Council ("RSTAC") for the purpose of advising Congress, the U.S. Department of Transportation and the Surface Transportation Board (STB) on rail issues; and

WHEREAS, RSTAC is a 15-member council made up of small shippers and small railroads, large shippers and large railroads and representing a balanced cross section of industries that use rail services; and

WHEREAS, Short line and regional railroads are small, local job creators building for growth that invest in and connect communities to the American economy, are privately and locally owned, and are the first and last miles of a rail network that provides safe and affordable freight service for manufacturers and farmers in 49 of 50 states; and

WHEREAS, Short lines keep American businesses competitive in global markets by moving grain from the Great Plains to the Gulf Coast ports, sand from Wisconsin to Pennsylvania gas fields, ore to steel mills, coal to power plants, and finished Michigan-made cars for export abroad; and

WHEREAS, Upgrades to short line railroads have been made possible by the Section 45G short line tax credit as it leverages private investments to promote even further track and bridge investments, amounting to \$4 billion dollars over 12 years; and

WHEREAS, 45G is a private solution to a public problem spurring on local economies across the country that suffer from inadequate infrastructure investments; and

WHEREAS, The Building Rail Access for Customers and the Economy (BRACE) Act (H.R. 721 and S. 407) will make Section 45G permanent and allow small, local freight railroads to increase their reinvestments to upgrade and expand the "first and last mile" of transportation infrastructure that will continue low-cost, environmentally-sound transportation to thousands of railroad customers across virtually every sector of the economy; and

WHEREAS, The BRACE Act will promote safe, efficient, and cost-effective transportation for thousands of short line railroad customers short lines bind the nation's industrial and agricultural heartland to urban consumers and export opportunities. Section 45G keeps the trains rolling for 10,000 rail customers that employ over one million Americans. The credit is a lifeline to these communities and local businesses that keep America strong; and

WHEREAS, The BRACE Act is a private solution to a public problem and assists short lines prioritize infrastructure investments based on market demand and community needs without being subject to the inconsistencies of bureaucratic and political will; and

WHEREAS, Currently, 165 members of the House of Representatives are co-sponsoring H.R.721 and 39 Senators are co-sponsoring S. 407;

NOW THEREFORE, RSTAC by unanimous consent of its 15 members adopts the following resolutions:

RESOLVED: RSTAC thanks the co-sponsors of The Brace Act for their leadership address this important infrastructure act that will promote safe, efficient, and cost-effective transportation for short line railroads and thousands of railroad customers; and

RESOLVED: RSTAC fully supports the adoption of The Brace Act and urges Congress to adopt it to make Section 45G to ensure the long-term benefits of this the tax credit for short line and regional railroads are made permanent.

Adopted this **15** day of May, 2017