



**CALIFORNIA SHORT LINE
RAILROAD ASSOCIATION**

July 1, 2017

Senator Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

Dear Senator Feinstein,

The California Short Line Railroad Association (CSLRA) wishes to thank you for co-sponsoring S.407, Building Rail Access for Customers and the Economy Act. The short line tax credit (Section 45G of the Internal Revenue Code of 1986) helps over 550 short line railroads nationwide to preserve nearly 50,000 miles of track that otherwise would have been abandoned; track that received little investment by its previous owners and must be upgraded and maintained if over 10,000 rail customers are to stay connected to the national main line rail network. These freight rail connections are critical to preserving the first and last mile of connectivity to factories, grain elevators, power plants, refineries, mines, and facilities that employ over 1 million Americans.

S.407 will help ensure that short line served customers remain connected to the national freight network. While highway infrastructure is maintained by federal and state governments, freight rail infrastructure is maintained by private sector investments. Short lines use approximately 184 million gallons of fuel to move 10 million carloads of freight annually. Trucks would require 540 million gallons to move the same freight. Short lines save shippers 20% to 50% over comparable truck transportation. Short lines keep 30 million truckloads per year off the highway, saving billions per year in highway damage costs. As you know, competitive freight movement costs and reductions of air emissions, traffic congestion, and highway damage associated with goods movement are vitally important to California. California's short line railroaders thank you for your support of this important legislation!

Sincerely,

A handwritten signature in blue ink, appearing to read "Kennan H. Beard III".

Kennan H. Beard III
President

Cc: Senator Kamala Harris