#### **BEFORE THE**

### FEDERAL RAILROAD ADMINISTRATION

DOCKET NO.
FRA-2024-0007:
PROPOSED AGENCY INFORMATION COLLECTION ACTIVITIES;
COMMENT REQUEST

### COMMENTS OF THE

THE AMERICAN SHORT LINE AND REGIONAL RAILROAD ASSOCIATION

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The American Short Line and Regional Railroad Association ("ASLRRA"), on behalf of itself and its member railroads, submits the following comments in response to the Railroad Administration's ("FRA's") request for comment on specific aspects of the activities identified in the Information Collection Request ("ICR") titled, "Grants Management Requirements for Federal Railroad Administration – Grant Awards and Cooperative Agreements." <sup>1</sup>

# ASLRRA, the Short Line Industry, and Importance of Federal Grants

ASLRRA is a small non-profit trade association representing the interests of about 600 short line and regional railroads. Short lines operate nearly 50,000 route miles in the United States, or approximately 30% of the national freight network, touching in origin or destination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network. Both in legislative matters before Congress and in regulatory matters before state and federal agencies, ASLRRA advocates for

<sup>&</sup>lt;sup>1</sup> 89 Fed. Reg. 80,983 (Oct. 4, 2024).

enlightened public policies which promote a strong regional and short line rail component for the national transportation infrastructure. Most short line railroads are considered small businesses.<sup>2</sup>

ASLRRA and its member railroads strongly support FRA's grant programs, particularly the Consolidated Rail Infrastructure and Safety Improvement ("CRISI") grant program. Short line freight railroads are the first- and last-mile service connections for thousands of industrial, manufacturing, energy, and agricultural shippers across America – particularly in small towns and rural communities. Without modern, safe, and efficient short line rail service, these shippers would risk being cut off from the national freight rail network and global economy – and they would be dependent solely on more expensive, less environmentally friendly transportation. The CRISI grant program makes possible improvements to short line rail infrastructure that will address the number one cause of short line derailments (worn-out track and ties), rehabilitate and upgrade the capacity of older bridges, improve safety at crossings where rail intersects with pedestrians and motor vehicles, prevent trespassing, deploy rail safety technology, and reduce emissions from locomotives.

The record-breaking number of short line CRISI projects selected, and dollars invested in the latest funding round recognizes the plethora of compelling and competitive proposals submitted by the industry. Eighty-one of the 122 projects selected by the FRA in the latest round were put forward by short line railroads or their partners, representing \$1.29B, or about 52% of the dollars awarded.<sup>3</sup> This round of grant funding is the most successful ever for the short line

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<sup>&</sup>lt;sup>2</sup> See 13 C.F.R. § 121.201 and North American Industry Classification System code 482112, "Short Line Railroad."

<sup>&</sup>lt;sup>3</sup> See FY 2023-2024 Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program: Project Summaries. Available at: https://railroads.dot.gov/elibrary/fy-2023-24-crisi-program-project-summaries.

industry, reflecting the reputation that short lines have built as trusted partners for their communities, their customers, and for the FRA.

# The Agency's Proposed Action and Our Comments

In the ICR, FRA is proposing to add one new form; revise two forms; and discontinue a form that is no longer required. FRA is proposing to add new form, FRA F 6180.288, titled, "Pre-Award Authority Request Form." Currently, FRA accepts requests for pre-award authority via a letter from the award recipient. The ICR states that the purpose of FRA F 6180.288 is to allow recipients who would like to incur eligible pre-award costs to request pre-award authority from FRA by submitting a standardized form. FRA states that the form would streamline the information collection processes and FRA's subsequent review of the request. The form also directs the recipient to confirm that they understand pre-award costs are considered at-risk until the grant agreement has been executed, and that FRA will authorize such pre-award costs only to the extent they are allowable under the terms of the grant agreement.<sup>4</sup>

ASLRRA supports the agency's proposal to establish the new form FRA F 6180.288. Preaward authority is an important tool that can help grantees manage their project budgets, provides them maximum flexibility in managing a complex supply chain, ensure the most efficient deployment of federal funds, and enable safety-critical repairs and investments to occur sooner after selection than would otherwise be possible. By replacing the previous letter procedure with the described form, we believe that exchanges of drafts and edits of pre-award authority letters back and forth between the selectees and the agency will be reduced or eliminated. This should help speed up the typically time-sensitive process of pre-award authority. It will better ensure that all FRA personnel receive commonly structured requests with all the

3

<sup>&</sup>lt;sup>4</sup> 89 Fed. Reg. at 80,984.

necessary information to support the agency's decision-making, facilitating the execution of their duties, particularly as documents are passed up the chain of command above the agency project manager. The requirement that the selectee must confirm their understanding of the at-risk nature of pre-award costs, and that authorization of reimbursement with grant funds is subject to allowability, will serve to emphasize these important elements. These are areas where grantees have occasionally experienced difficulties after receiving and attempting to utilize pre-award authority.

We have no concerns with the proposed updates to forms FRA F 6180.31 and 6180.34, nor with the proposal to discontinue the duplicative FRA F 6180.35.

Respectfully submitted,

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