

ADVOCACY: 2020

Legislative Issues

The Railway Supply Institute (RSI) is an international trade association representing more than 200 companies involved in the manufacture of products and services in the railcar, locomotive, maintenance-of-way, communications and signaling and passenger rail industries. RSI connects members to their customers and partners, drives improvements in the industry, assists members in the global marketplace and represents the industry in the regulatory and legislative process. Our members represent more than 100,000 rail supply industry employees located in 46 states and 273 congressional districts. Collectively, railroad suppliers contribute more than \$74B annually in economic value across all 50 states.

ISSUES	EFFECT ON RAIL & RAIL SUPPLY INDUSTRY
ADVANCE INNOVATIVE TECHNOLOGY	Through investment in the research and development of new technologies, the rail supply industry has helped their railroad customers become one of the nation's safest industries. RSI supports regulatory reforms that encourage the growth, innovation and jobs that are necessary for a robust and safe rail industry.
INVEST IN INFRASTRUCTRE	New investment in our transportation systems would vastly improve the efficiency and productivity of our rail systems. Increased public investment in rail, coupled with policies that incentivize private investments, could relieve major bottlenecks and chokepoints and increase track, tunnel, bridge and station capacity across the passenger and freight rail system.
RESTORE FAIR COMPETITION & PROMOTE AMERICAN MANUFACTURING	Fair trade impacts the rail economy directly. The Administration and Congress should ensure that trade negotiations do not harm the rail industry by making it harder, more expensive, and more complex to manufacture or move goods across borders. In addition, the increasing presence of heavily subsidized state-owned rail firms undermines competition and adversely impacts jobs by private rail supply companies in North America.
ENFORCE BUY AMERICA	The Buy America program was designed to promote U.S. manufacturing and help the domestic economy by creating jobs for Americans. The U.S. DOT should apply Buy America provisions strictly, consistently and aggressively enforce this critical statute.

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The Trump Administration and the 116th Congress will have a legislative agenda focusing on issues directly impacting the rail supply industry including fair trade, regulatory reform, infrastructure investment and reinvigorating American manufacturing.

Advance Innovative Technology:

RSI continues to seek dedicated investment in infrastructure, balanced economic regulation and the promotion of domestic manufacturing to drive American innovation. RSI also supports **regulatory reforms that ensure safety and encourage investments in innovative technologies.**

Invest in Infrastructure: To ensure that the rail sector can continue to provide good employment opportunities to American workers, RSI strongly supports an infrastructure package that **helps to improve the safety, reliability and productivity of the nation's overall transportation system.** The federal government should provide predictable and dedicated funding for capital investment in our intercity passenger and commuter rail systems along with investment to improve the efficient movement of freight through public-private partnerships. Digital infrastructure applications should be included and incentivized as part of eligible public investments to provide better reliability, efficiency, and lengthen the life of an asset.

RSI also opposes any efforts to increase truck sizes and weight on our nation's interstates. Increasing either the allowable weight or lengths of trucks would divert freight traffic from the railroads to the nation's highways while reducing railroad resources available to invest in maintenance and capacity. This would have negative impacts on freight rail service as well as intercity passenger rail and commuter rail services that depend on freight rail infrastructure. Shifting freight from rail to highway would increase congestion, transportation-related fatalities and injuries, fuel consumption, harmful emissions, and highway maintenance costs, and worsen pavement conditions. Furthermore, investment in rail safety by ensuring continued research and development investment in rail technology and providing money to the Section 130 highway rail grade crossing safety program and Operation Lifesaver, is a proven way to save lives, and funding should be supported.

Restore Fair Competition & Promote American Manufacturing:

In recent years we have seen a dramatic increase in state-owned foreign involvement in the U.S. passenger and freight rail market. It has the potential to change the entire dynamic of a \$74 billion dollar a year industry, with ample evidence suggesting that continued state-owned enterprise involvement in this industry could lead to price dumping, loss of domestic parts manufacturing and a reduction in American jobs. This has long term economic and national security impacts as demonstrated in Australia with the complete takeover by an SOE of the Australian domestic market and capability to build freight rail cars. America's rail system covers more than 140,000 miles and carries forty percent of America's intercity freight, including sensitive military shipments and 111 million tons of hazardous materials each year. Allowing a foreign, state-backed entity to directly own, operate, or invest in our nation's critical infrastructure creates significant economic and national security risks. In order to protect the security interests of the United States, RSI supports swift implementation of a provision contained in the National Defense Authorization Act (NDAA) of 2020 which bans mass transit agencies from using federal funds for purchasing rail cars or buses from Chinese-owned or Chinese-domiciled companies, and requiring that any transit operator must develop and execute a plan for identifying and reducing cybersecurity risks, should they receive federal dollars. An increased reliance on China-based manufacturing and strategic materials worsens U.S. vulnerabilities to a supply disruption and Chinese government tampering with delivery of critical products and services.

Enforce Buy America: RSI believes Buy America can help support good-paying American jobs. RSI member companies have played by the rules and built their business models to comply with Buy America. The Department of Transportation should apply Buy America provisions strictly and consistently while enforcing the statute accordingly.



For Additional Information:

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