



TGA ASSOCIATION MANAGEMENT SOLUTIONS, LLC

TO: Railway Systems Suppliers, Inc. (“RSSI”)
FROM: TGA Association Management Solutions, LLC (“TGA AMS”)
RE: Monthly Legislative Report for January 2025
DATE: February 4, 2025

KEY UPDATES

- On February 4, President Trump nominated former NY Congressman Marc Molinaro to be FTA Administrator
- On January 29, after much drama and back and forth, the White House rescinded its Executive Order ([EO](#)) temporarily pausing agency grants and financial assistance. Two federal judges have since moved to block the order from taking effect
- On January 28, Sean Duffy was confirmed as the next USDOT Secretary
- On January 21, the House T&I Committee announced the new members, Subcommittee chairs and rosters for the 119th Congress, see more info [here](#). Rep. Daniel Webster from Florida is the new Chairman of the T&I Rail Subcommittee. Also on January 21, President Trump announced that Patrick Fuchs will serve as the new Chair of the Surface Transportation Board (STB)
- On January 14, the California Air Resources Board (CARB) officially withdrew their authorization request to EPA for the In-Use Locomotive Regulation. A tremendous win for the rail industry.
- On January 10, U.S. DOT and FRA announced nearly \$5 billion in IJA grants including FRA Rail Crossing Elimination grants and RAISE grants). See more info and award selections [here](#).
- Railroad Day on Capitol Hill, the freight rail industry’s annual DC fly-in, has been set for May 7, 2025

FY2025 APPROPRIATIONS

- Congress passed a Continuing Resolution (CR) through March 14, 2025
- On July 25, Senate Appropriations Committee marked up its FY25 T-HUD appropriations bill
- On July 10, House Appropriations Committee marked up its FY25 T-HUD approps bill
- On March 11, President Biden released his [FY2025 proposed budget](#)
- See funding levels below:

	IJA Advance Approps FY24	Final FY24 Approps bill	Total FY24 funding	President request FY25	House FY25	Senate FY25
USDOT RAISE	\$1.5b	\$345m	\$1.8b	\$800m	\$0	\$550m
USDOT MEGA	\$1b	\$0	\$1b	\$800m	\$0	\$0
USDOT INFRA	\$1.64b	\$0	\$1.64b	\$0	\$200m	\$0
Amtrak NEC	\$1.2b	\$1.14b	\$2.3b	\$1.2b	\$1b	\$1.02b
Amtrak National Network	\$3.2b	\$1.29b	\$4.5b	\$1.305b	\$1.12b	\$1.6b
FRA CRISI	\$1b	\$199m	\$1.2b	\$250m	\$298.5m	\$375m
FRA Fed-State Partnership	\$7.2b	\$75m	\$7.3b	\$100m	\$0	\$100m
FRA Rail Restoration/Enhancement	\$50m	\$0	\$0	\$0	\$0	\$0

FRA Rail Crossing Elimination	\$600m	\$0	\$600m	\$0	\$0	\$0
FTA CIG	\$1.6b	\$2.2b	\$3.8b	\$2.4b	\$755m	\$2.262b
FTA Formula funds	-	\$13.99b	\$13.99b	\$14.28b	\$14.28b	\$14.28b
WMATA Special Appropriation	-	\$150m	\$150m	\$150m	\$150m	\$150m

SURFACE TRANSPORTATION BOARD

- Current STB members:
 - **Chairman Patrick Fuchs (Republican):** Former Senate Commerce Committee staffer under Chairman John Thune (R-SD) who is well versed on regulatory issues affecting the railroad industry. He has been very friendly to freight railroads and we know where he stands on the issues
 - **Robert Primus (Democrat):** Career Democratic staffer on Capitol Hill, formerly served as Chief of Staff to Rep. Nanette Barragan (D-CA), Rep. Michael Capuano (D-MA), and Rep. Tony Cardenas (D-CA)
 - **Karen Hedlund (Democrat):** former Obama FRA Deputy Administrator
 - **Open Seat (Republican):** Former Chair Marty Oberman stepped down, awaiting nomination from President Trump
 - **Michelle Schultz (Republican):** Previously spent 14 years in leadership roles with SEPTA and had a career in law before that
- On September 16-17, the STB held a public hearing to gather input on recent trends and growth strategies in the freight rail industry. Attendees included Class I executives, short lines, shippers, suppliers, labor, and other stakeholders
- On April 30, 2024, the STB [announced](#) its final rule on reciprocal switching
- On March 28, 2024, the STB [announced](#) the inaugural membership for its Passenger Rail Advisory Committee (PRAC)
 - First meeting was held in October 2024, second meeting scheduled for February 2025

RAIL SAFETY LEGISLATION/ACTION

- VP Vance was in East Palestine on the two-year anniversary and it is likely that the Railway Safety Act will get reintroduced in the new Congress
- NTSB held a [meeting on June 25, 2024](#), with findings from its final report, which is due to be released in full in the coming weeks
- Railroad Safety Enhancement Act of 2024 [was introduced](#) on July 23, 2024 by Rep. Troy Nehls (R-TX) and Rep. Seth Moulton (D-MA)
- Railway Safety Act of 2023 (S. 576) was introduced on March 1, 2023 by Senators Vance (R-OH), Brown (D-OH), Fetterman (D-PA), Casey (D-PA), Hawley (R-MO), and Rubio (R-FL)
 - With Vance now Vice President, there is a question about if there is an interest to move any rail safety legislation in the 119th Congress, but it would likely not have enough votes to pass

- MAGA arm of Republican party has shown a willingness to partner with labor on rail safety legislation and this is one of the key items for the rail industry to monitor in the 119th Congress

TRUCK SIZE & WEIGHTS

- Changes to TSW remains a major threat in the 119th Congress
 - TSW Parity Bill: Rep. Mike Collins (GA-10) has a proposed state/federal parity bill that would increase federal interstate weights to match states
 - MOVE Act: Recently, a [Shipper's Coalition Press Release](#) touted this bill as a solution to a potential Longshoremen/Maritime Association strike the day before negotiations were reached
- CABT is updating white papers and background info on current legislation [here](#)

SHORT LINE 45G TAX CREDIT

- On January 25, 2025, H.R. 516, was introduced. The bill modernizes 45G by:
 - Updating the credit cap to \$6,100/mile from \$3,500/mile
 - Index the credit cap per mile to inflation in future years
 - Allow for all short line track to be eligible for the credit

CONGRESSIONAL HEARINGS

- [January 23, 2025](#). The House Committee on Transportation and Infrastructure, Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing to discuss and receive testimony on matters pertaining to, "[America Builds: Examining America's Freight and Passenger Rail Network](#)." Chairman Webster statement ([here](#)) and Ranking Member Titus statement ([here](#)). [Committee Link and Testimony](#). **Covered by TGA AMS – Summary Available Upon Request**
- [January 22, 2025](#). The Senate Committee on Commerce, Science, & Transportation held a markup hearing on the nomination of [Sean Patrick Duffy to be Secretary of the Department of Transportation](#). In other news, on January 22, 2025, President Trump [nominated Steven Bradbury to be Deputy Secretary of Transportation](#). [Committee Link](#). **Covered by TGA AMS – Summary Available Upon Request**
- [January 22, 2025](#). The House Committee on Transportation and Infrastructure, Subcommittee on Highways and Transit held a hearing to discuss and receive testimony on matters pertaining to, "[America Builds: Highways to Move People and Freight](#)." [Committee Link and Testimony](#). **Covered by TGA AMS – Summary Available Upon Request**
- [January 15, 2024](#). The House Committee on Transportation and Infrastructure held an "Organizational Meeting" and a Full Committee hearing to discuss and receive testimony on matters pertaining to, "[America Builds: The State of the Nation's Transportation System](#)." [Committee Link and Testimony](#). **Covered by TGA AMS – Summary Available Upon Request**

U.S. DEPARTMENT OF TRANSPORTATION/FRA/FTA

- [January 23, 2025](#). The Surface Transportation Board (STB) issued a meeting [Notice](#) announcing a meeting of the [Passenger Rail Advisory Committee](#) (PRAC) on February 11, 2025 at 9:00 a.m. ET at the STB HQ in Washington, D.C. Potential agenda items for this meeting include selection and prioritization of topics for further exploration by the PRAC, initial discussions regarding the selected topics, and discussion of draft bylaws. The PRAC was formed in 2023 to provide advice and guidance to the Board on passenger rail issues on a continuing basis to help the Board better fulfill its statutory responsibilities in overseeing certain aspects of passenger rail service.

The PRAC consists of 21 voting members, and an ex officio (non-voting) member from the U.S. DOT.

- January 21, 2025. President Trump issued a follow-up [Memorandum](#) clarifying [Section 7 of the Executive Order entitled Unleashing American Energy](#) which led to the temporary pause of all federal highway reimbursements. The original directive appeared to pause all funding, including for highway and transit projects receiving federal dollars under formula programs; however, the pause only applied to funds supporting programs, projects, or activities that may be implicated by the policy established in Section 2 of the order, particularly the electric vehicle mandate. Meanwhile ARTBA is reporting that US DOT has paused awarding of new grants and the moving forward on other discretionary projects - announced by the Biden administration in its waning days - without a signed grant agreement in place. This pause is typical of a new presidential administration.
- January 16, 2025. The Congressional Research Service (CRS) issued an updated report entitled, "[Freight Rail Safety Issues in the 119th Congress](#)." The February 3, 2023, train derailment and chemical spill in East Palestine, OH, raised the profile of rail safety issues. Railroad labor organizations and state and local governments have voiced concerns about railroad business practices that, in their view, put employees and communities at unnecessary risk. Railroad companies, meanwhile, have characterized more stringent safety requirements as unnecessary given the industry's record. Starting in the late 2010s, some railway safety indicators began trending worse after a decadeslong trend of continuous improvement. In 2023, there were 1,003 fatalities and 6,767 injuries on America's railroads.
- January 16, 2025. The US DOT Office of the Secretary issued a [Notice](#) issuing waiver for the domestic preference requirements for manufactured products applicable to certain transit-oriented development (TOD) housing projects that receive credit assistance through the Build America Bureau (the Bureau) under the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation and Improvement Financing (RRIF) credit programs. The effective date of the waiver is [upon publication in the Federal Register] and will apply to all TOD housing projects that enter into the Bureau's creditworthiness review on or before December 31, 2025.
- January 10, 2025. The US DOT [announced](#) \$544 million in grant awards for 81 projects through the [FY 2024 Reconnecting Communities Pilot \(RCP\) Discretionary Grant Program](#). RCP focuses on improving access to daily needs such as jobs, education, healthcare, food, nature, and recreation, and foster equitable development and restoration, and provide technical assistance to further these goals. The primary goal of the RCP Program is to reconnect communities harmed by past transportation infrastructure decisions, through community-supported planning activities and capital construction projects that are championed by those communities. Under this round of funding for the RCP, the US DOT awarded 66 Planning Grants and 15 Capital Construction grants. The FY 2024 RCP project selections can be found [here](#), and [here](#) (other resources [here](#)).
- January 10, 2025. The US DOT [announced](#) \$785 million in awards through the [Multimodal Project Discretionary Grant Opportunity \(MPDG\)](#) via the [FY 2025-2026 Rural Surface Transportation Grant Program \(Rural\) Program](#). The Rural Program's purpose is to repair and improve rural transportation systems. These awards represent the third competition round for the Rural Program. The demand for Rural funding outpaced available funds, with 142 applicants requesting more than \$7.75 billion for the \$785 million available for this round. The FY 2025-2026 Rural project selections can be found [here](#).

- January 10, 2025. The Federal Railroad Administration (FRA) [announced](#) awards of more than \$1.1 billion in FY 2023-2024 Railroad Crossing Elimination (RCE) Grant Program funding to 123 rail projects across 41 States, improving or studying more than 1,000 highway-rail crossings across the nation. The RCE program provides funding for highway-rail or pathway-rail grade crossing improvement projects that focus on improving the safety and mobility of people and goods. The FY 2023-2024 RCE project selections can be found [here](#). Moreover, the FRA also [announced](#) more than \$146 million in funding under the FY 2021-2024 Restoration and Enhancement (R&E) Grant Program. The R&E program funds grants for initiating, restoring, or enhancing intercity passenger rail transportation. The FY 2021-2024 R&E project selections can be found [here](#).
- January 10, 2025. The US DOT [announced](#) \$1.32 billion in **Round 1** awards (for 109 projects) from the FY 2025 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary grant Program. The competitive and popular RAISE program supports a broad selection of communities and projects of local and regional significance. Funding was split equally between urban and rural areas, and a large percentage of grants, selected in the first round of FY 2025, support urban and rural regions defined as historically disadvantaged or areas of persistent poverty. In total, 195 highly rated projects requested almost \$2.4 billion for the \$1.32 billion available through the first round of FY2025 funding. **The FY 2025 [Notice of Funding Opportunity \(NOFO\)](#) is still open for remaining funds, with applications due by January 30, 2025.** The RAISE 2025 Round 1 Fact Sheets (for projects) can be found [here](#).

POLITICAL ENVIRONMENT

- Current split for the 119th Congress
Senate: **53 Republicans** – **47 Democrats**
House: **220 Republicans** – **215 Democrats**
3 special elections coming in 2025

HOUSE/SENATE Leadership of Transportation-Related Committees of the 119 th Congress (1st Session)					
(NOT YET COMPLETE - Selected Committee Assignments)					
29-Jan-25					
House Committees (Republican Majority)		Chairman/Chairwoman	Ranking Member		
APPROPRIATIONS		Tom Cole R-OK (Σ)	Rosa DeLauro D-CT	Selected House Republican (Majority) Leadership	
Sub. on Commerce, Justice and Science	Hal Rogers R-KY	Grace Meng D-NY	Mike Johnson House Speaker	R-LA	
Sub. on Energy & Water Development	Chuck Fleischmann R-TN	Marcy Kaptur D-OH	Steve Scalise Majority Leader	R-LA	
Sub. On Homeland Security	Mark Amodei R-NV	Lauren Underwood D-IL	Tom Emmer Majority Whip	R-MN	
Sub. on Transportation/HUD	Steve Womack R-AR	James Clyburn D-SC	Lisa McClain Conference Chairman	R-MI	
			Kevin Hern Policy Committee Chairman	R-OK	
			Richard Hudson National Republican Cong. Committee Chairman	R-NC	
			Blake Moore Conference Vice-Chairman	R-UT	
BUDGET		Jodey Arrington R-TX	Brendan Boyle D-PA		
ENERGY AND COMMERCE		Brett Guthrie R-KY	Frank Pallone D-NJ		
Sub. on Energy	Bob Latta R-OH	Kathy Castor D-FL			
Sub. on Environment	Morgan Griffith R-VA	Paul Tonko D-NY			
FINANCIAL SERVICES		French Hill R-AR	Maxine Waters D-CA		
HOMELAND SECURITY		Mark Green R-TN	Bennie Thompson D-MS		
Sub. on Emergency Management and Technology	Dale Strong R-AL	Tim Kennedy D-NY			
Sub. on Transportation and Maritime Security	Carlos Gimenez R-FL	LaMonica McIver D-NJ			
NATURAL RESOURCES		Bruce Westerman R-AR	Jared Huffman D-CA		
Sub. on Water, Wildlife and Fisheries	Harriet Hageman R-WY	Val Hoyle D-OR			
TRANSPORTATION AND INFRASTRUCTURE		Sam Graves R-MO (Ω)	Rick Larsen D-WA	Selected House Democratic (Minority) Leadership	
Sub. on Aviation	Troy Nehls R-TX	Steve Cohen D-TN	Hakeem Jeffries Minority Leader	D-NY	
Sub. On Coast Guard/Maritime Transportation	Mike Ezell R-MS	Salud Carbajal D-CA	Katherine Clark Minority Whip	D-MA	
Sub. on Highway/Transit	David Rouzer R-NC	Elanor Holmes Norton D-DC	Pete Aguilar Caucus Chairman	D-CA	
Sub. on Railroads/Pipelines/Hazardous Materials	Daniel Webster R-FL	Dina Titus D-NV	Ted Lieu Caucus Vice-Chairman	D-CA	
Sub. on Water Resources/Environment	Mike Collins R-GA	Frederica Wilson D-FL	Joe Neguse Assistant Leader	D-CO	
			Debbie Dingell Policy/Comm. Chair	D-MI	
WAYS AND MEANS		Jason Smith R-MO	Richard Neal R-MA		
<p>(Σ) Rep. Mario Diaz-Balart (R-FL) will serve as the Committee's Vice Chairman for the 119th Congress.</p> <p>(Ω) Rep. Rick Crawford (R-AR) will serve as the Committee's Vice Chairman for the 119th Congress.</p>					
Senate Committees (Republican Majority)		Chairman/Chairwoman	Ranking Member		
APPROPRIATIONS		Susan Collins R-ME	Patty Murray D-WA	Selected Senate Republican (Majority) Leadership	
Sub. on Transportation/HUD			John Thune Majority	R-SD	
Sub. on Homeland Security			John Barrasso Majority Whip	R-WY	
Sub. on Energy & Water Development			Tom Cotton GOP Conference Chair	R-AR	
Sub. On Commerce, Justice, Science			Shelley Moore GOP Policy Committee Chair	R-WV	
			James Lankford Vice Chair, GOP Policy Comm.	R-OK	
			Tim Scott GOP Senatorial Comm. Chair	R-SC	
BANKING, HOUSING AND URBAN AFFAIRS		Tim Scott R-SC	Elizabeth Warren D-MA		
Sub. on Housing, Transportation & Community Development	Katie Britt R-AK	Tina Smith D-MN			
BUDGET		Lindsey Graham R-SC	Jeff Merkley D-OR	Senate Presiding Officials	
			J.D. Vance President of the Senate	Vice-Pres.	
			Chuck Grassley Senate Pres. Pro Tempore	R-IA	
COMMERCE, SCIENCE AND TRANSPORTATION		Ted Cruz R-TX	Maria Cantwell D-WA		
Sub. on Aviation Safety, Operations and Innovation					
Sub. on Oceans, Fisheries, Climate Change & Manufacturing					
Sub. on Surface Transportation, Maritime, Freight and Ports					
ENERGY AND NATURAL RESOURCES		Mike Lee R-UT	Martin Heinrich D-NM		
Sub. on Energy					
Sub. on Water and Power					
ENVIRONMENT AND PUBLIC WORKS		Shelley Moore Capito R-WV	Sheldon Whitehouse D-RI	Selected Senate Democratic (Minority) Leadership	
Sub. on Transportation and Infrastructure	Kevin Cramer R-ND	Angela Alsobrooks D-MD	Chuck Schumer Minority Leader/Conf. Chair	D-NY	
Sub. on Fisheries, Wildlife, and Water	Pete Ricketts R-NB	Adam Schiff D-CA	Dick Durbin Minority Whip	D-IL	
			Amy Klobuchar Chair of Steering/Policy	D-MN	
			Cory Booker Chair Strategic	D-NJ	
			Elizabeth Warren Vice-Chair of Conference	D-MA	
			Mark Warner Vice-Chair of Conference	D-VA	
			Bernie Sanders Chair of Outreach	I-VT	
FINANCE		Michael Crapo R-ID	Ron Wyden D-OR		
HOMELAND SECURITY & GOVERNMENT AFFAIRS		Rand Paul R-KY	Gary Peters D-MI		