



# SHORT LINE AND REGIONAL RAILROAD Facts and Figures



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## EXECUTIVE SUMMARY OF RESEARCH METHODOLOGY

Beginning in 2017, *The Short Line and Regional Railroad Facts and Figures* will be produced every three years, with periodic updates during that three year period. Data included in this publication is collected via survey of railroad members of the American Short Line and Regional Railroad Association (ASLRRA). The 2016 Data Survey was completed by 299 railroads, and represents data from calendar year 2015.

With the assistance of the Association of American Railroads’ (AAR) Policy Department, a list of all freight short line railroads, their route miles, and annual carloads were identified. Survey data from individual ASLRRA member railroads were aggregated by their types or size to estimate the relationship between various factors, including revenue per carload, revenue per employee, track miles per route mile, revenue per customer, etc. These relationships and initial estimates of industry-level data were then used to derive industry representative estimates.

Where noted, data has been provided by additional sources.

### Definition of Class I, II, and III Railroads

Class I, II, and III designation refers to the Surface Transportation Board’s 2016 definition, which is tied to revenue:

Class I – freight revenue greater than \$475.75 million

Class II – freight revenue less than \$475.75 million, and greater than \$38.06 million

Class III – freight revenue less than \$38.06 million, plus all railroads operating in a terminal setting, regardless of revenue.

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## PROFILE OF SHORT LINE AND REGIONAL RAILROADS

### *Who We Are*

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Short line rail freight is a critical part of the U.S. freight network. The nation's 603 short lines provide the first and last mile service for one in five cars moving each year. Operating 47,500 route miles, or 29% of freight rail in the U.S., these small railroads play a vital role in the hub-and-spoke transportation network, providing the connection between farmers, manufacturers and other industries, and ultimately, the consumer. For large areas of rural and small town America, short line and regional railroads are the only way shippers can be directly connected to the national network, helping business and employment stay local.

Most short lines meet the definitions of small business. On average, short line railroads employ fewer than 30 people, run an average of only 79 miles, and have \$7.7 million or less in revenue.

Short line rail service provides safe, efficient, competitive, and environmentally responsible access to transportation for nearly 10,000 rail customers.

### *The Role We Play*

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Short lines provide high value to their customers and to the seven North American Class I railroads. In their service areas, short lines place cars, consolidate shipments, and move the goods to the main lines. At the junction point, it is often the short line that manages adding the carloads to a larger train for the next leg of the journey. At the destination, the process is reversed and short lines deliver the cars to the customer or to another form of transportation, such as barges, container ships or trucks.

*Together, short lines and Class I railroads provide seamless service for the movement of American goods.*

## Hallmarks of the Short Line Industry



### Customer Focus

As the first and last mile of the shipment, short lines provide flexibility and responsiveness to the unique needs of each customer.



### Entrepreneurial Spirit

These small businesses operate the most vulnerable segments of the railroad system. They succeed by competing aggressively for business, and investing significant revenues in rail infrastructure.



### Connecting Customers to Markets

For large parts of rural and small town America, short line and regional railroads are the only direct connection to the national rail network.



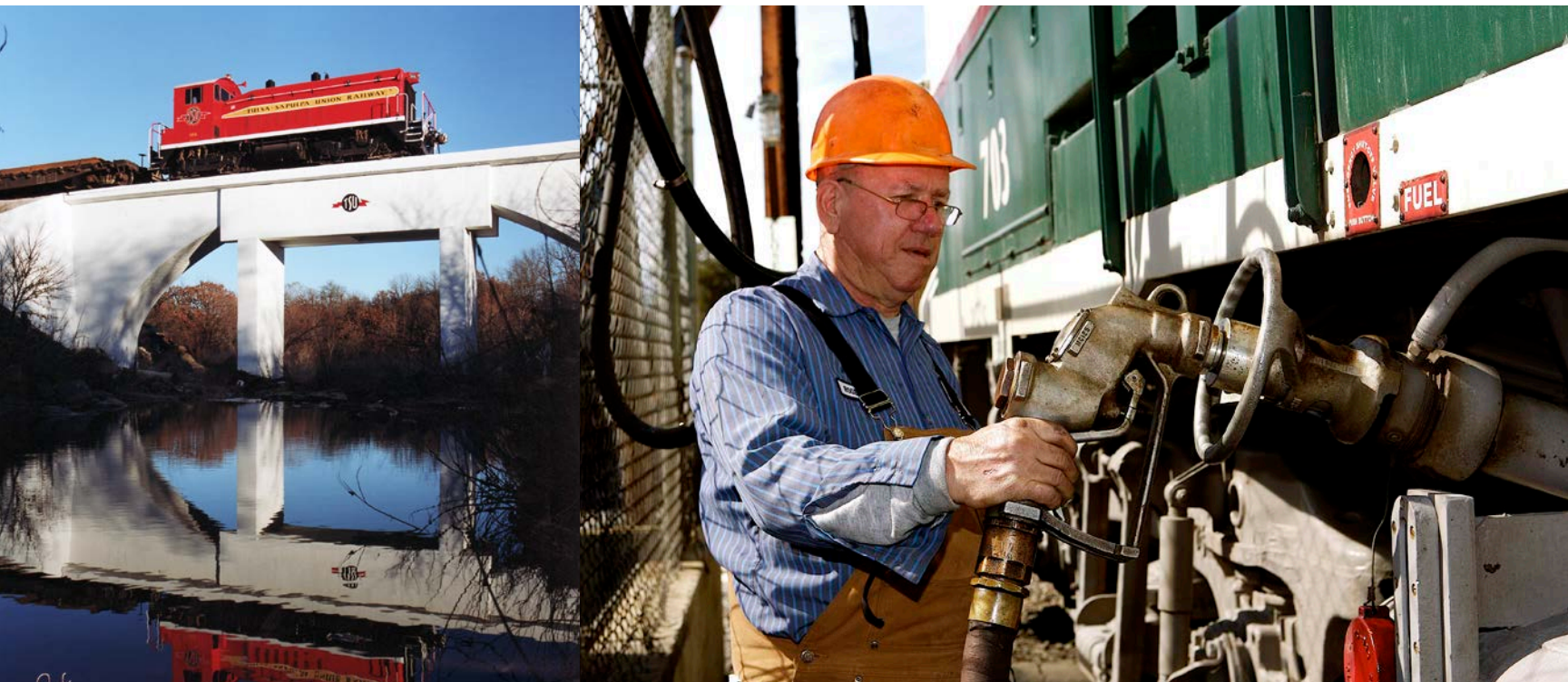
# PROFILE OF SHORT LINE AND REGIONAL RAILROADS

## *Short Line and Regional Railroad Challenges*

Short line railroads are small businesses. The majority of these businesses were created by entrepreneurs who purchased or leased marginal or unprofitable segments of large Class I railroads. They preserved service and jobs on rail lines that were otherwise deteriorating and headed for abandonment.

Short lines inherited track that had experienced years of deferred maintenance by their previous owners and must therefore devote a significant portion of revenue to rehabilitating their infrastructure. Most short lines must invest a minimum of 25% of their annual revenues in such rehabilitation, which is a percentage far higher than almost any other industry in the country.

The majority of short line customers are also small businesses that ship modest volumes. In other words, short lines must do more with less. They compete aggressively for business in order to achieve the kind of carload volumes necessary to succeed. They do so by providing flexible local service, by utilizing their real estate assets to attract new customers to the line and by competing aggressively with truck transportation. They are the local workhorses of the national rail network.





## SHORT LINE AND REGIONAL RAILROAD EVOLUTION

Short lines were in business as early as the mid-1800s. Two of the earliest were the Granite Railway, incorporated in 1826 in Quincy, Massachusetts, developed to carry stone from the Bunker Hill Quarry three miles, to the Neponset River, and the 13-mile long Baltimore & Ohio Railroad (B&O) in 1827. The original B&O is now part of CSX Corporation, a Class I railroad. But it was the Staggers Act of 1980 that saved the national railroad industry from near total collapse. It did so by eliminating much of the suffocating regulation that made it impossible for railroads to operate in a free market system.

In many respects, the Staggers Act is also the genesis of the short line industry as it exists today. The economic freedoms and regulatory flexibility embodied in that Act allowed entrepreneurs to save light-density branch lines rather than abandon them. The results were quite remarkable. Short lines have grown from 8,000 miles of track in 1980 to 47,500 miles today. They operate in 49 states. In five states, short lines operate 100% of the state's total rail network. In 15 states, they operate more than 50% of the railroad network and in 36 states, at least one quarter of the rail network.

In saving the Class I industry, the Staggers Act preserved the private national railroad network. In creating the modern-day short line industry, the Staggers Act ensured that huge areas of rural and small town America would stay connected to that national railroad network. For the small businesses and farmers in those areas, the ability to take a 5-car train 15 miles to the nearest Class I interchange is just as important as the Class I's ability to attach that block of traffic to a 100-car train and move it across the country. Thousands of rail customers cannot make the journey across the country without Class I railroad service. But they often cannot start or end that journey without short line service.

**THE STAGGERS ACT**  
is widely hailed  
as a successful  
implementation of  
federal regulation,  
benefitting all  
participants in the  
freight rail  
transportation  
network.



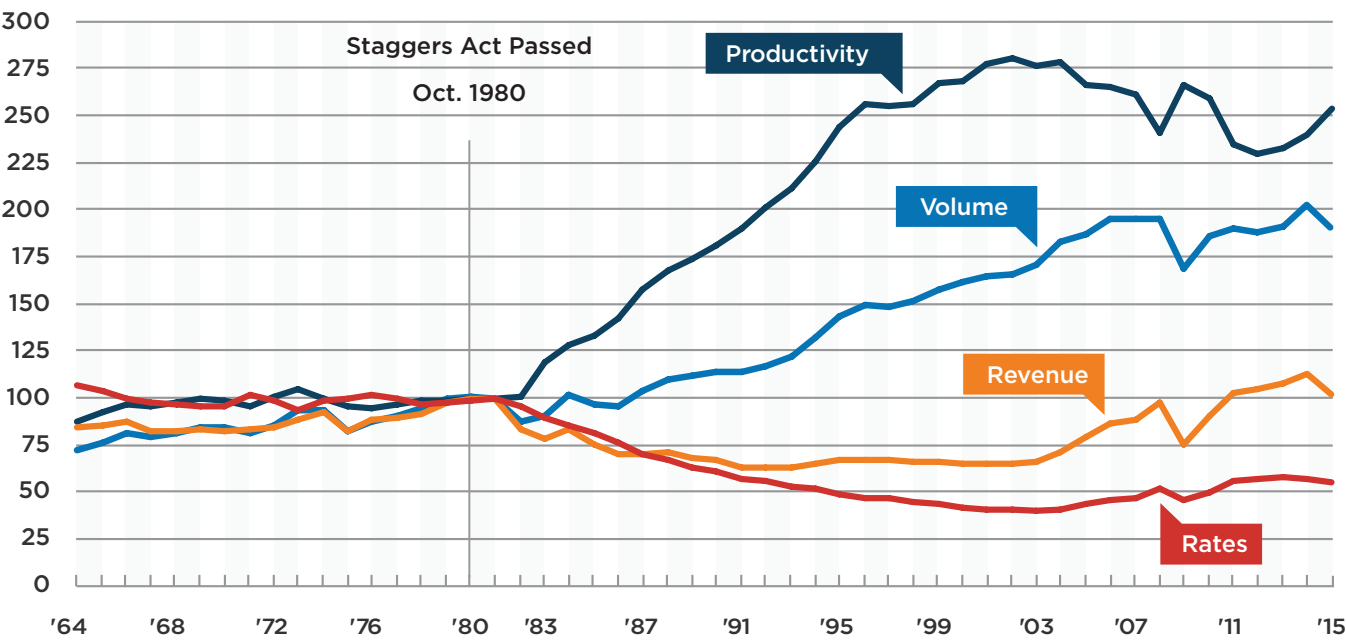
# SHORT LINE AND REGIONAL RAILROAD EVOLUTION

The Staggers Act has also been good for the customers and suppliers of the short lines. The Association of American Railroads (AAR) reports that the Staggers Act has led to a 45% reduction in average shipping rates, a doubling of rail traffic, and an investment of \$600 billion into the rail system. \*

\*Source: America’s Freight Railroads Under Balanced Regulation, AAR, 2016.

## U.S. FREIGHT RAILROAD PERFORMANCE SINCE THE STAGGERS ACT

Today’s Balanced Regulatory System Has Benefited Shippers and Allowed Railroads to Flourish



Source: AAR



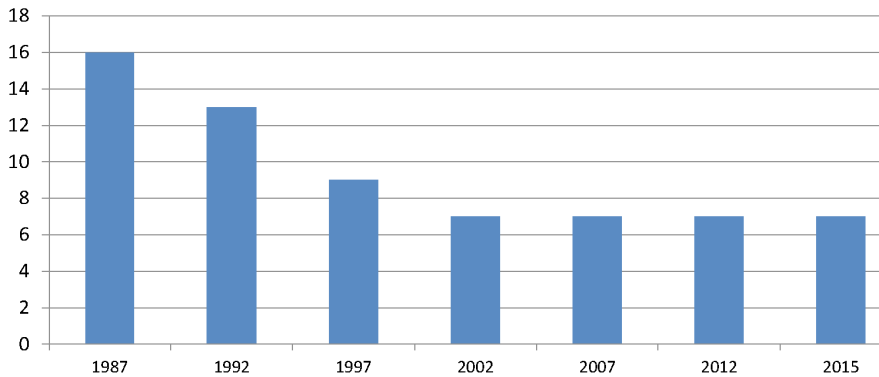
# SHORT LINE AND REGIONAL RAILROAD EVOLUTION



## Growth Over Time

In 1976, there were 56 Class I railroads organized into 30 separate systems. By 1987, as a result of a long series of mergers and acquisitions, Class I railroads had declined to only 13 and today, there are seven Class I railroads, a reduction of 46%.

Number of Railroads Over Time  
Class I Railroads



Number of Railroads Over Time  
Regional and Short Line Railroads



To the contrary, since 1987 short line and regional railroads have increased 20% over the same time period.

Source: AAR, *Railroad Facts*, various years; 2016 ASLRRA Data Survey

## THE SHORT LINE AND REGIONAL RAILROAD INDUSTRY

Nearly  
10,000  
customers

49  
states

Invest 24%  
of revenue in  
capital &  
maintenance

47,500  
miles  
of track

Nearly  
18,000  
employees

\$4.64  
billion in  
revenue

603  
short  
lines

29%  
of total track  
in U.S.

**1** in **5** cars are moved by short lines

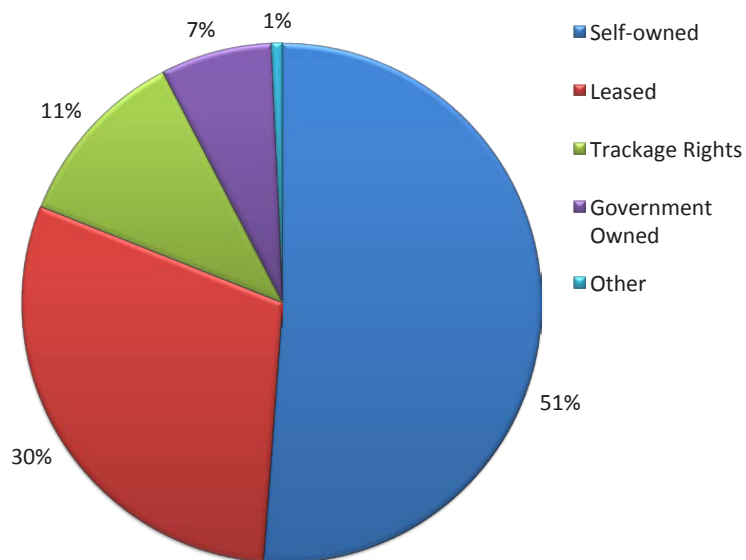


## SHORT LINE AND REGIONAL RAILROADS TODAY

The short line industry is a vibrant and hard-working part of the national transportation network, moving one in five carloads annually in origination or destination.

Short line railroads operate over 47,500 miles of track, or approximately 29% of the national railroad network. They serve customers in 49 states. In 36 states, they operate over 25% of the state's total rail network. Short lines contribute \$8.3 million in state and local taxes, while supporting small businesses and keeping jobs local. The availability of rail transport is of great benefit in attracting new business to an area – particularly in rural regions. The short line industry's state-by-state impact can be found on pages 19-22.

**Short Line Railroad Miles Operated By Type**



Source: 2016 ASLRRA Data Survey

Short line and regional railroads operate under many types of agreements in order to provide service. The majority of track miles (51%) are wholly-owned and 31% are leased from Class I's and other entities. The remaining 20% of miles used are owned by the government or made available via interchange agreements.

### ***Relationship to Class I Railroads***

Short line railroads are the business partners of Class I railroads. Short lines interchange with Class I's to enable their customers' goods to flow through the national freight rail system to their ultimate destination – often another short line railroad delivers the goods on the other end. On average, a short line has four interchange agreements.

Rates charged for the shipment of goods and services are often managed by agreement with the Class I railroads. In that sense, short lines are both a provider to, and a customer of, Class I railroads.

A short line can be considered a Class I partner under a cooperative interchange or trackage rights agreement, a competitor as a self-owned independent in control of origin and destination of a shipment, or a tenant, operating track under a lease agreement.

# SHORT LINE AND REGIONAL RAILROADS TODAY

Short lines in the U.S. today are widely varied in operating practices and metrics. Some small railroads operate passenger lines. Many offer additional revenue generating opportunities, such as car storage, right-of-way leasing and providing storage yards for construction materials. Class II's are more similar to one another, with an average line length of 701 miles and a median of 377 miles. Class II's operate 16% of short line rail miles.

Class III's, the smallest railroads, represent 84% of short line and regional railroad miles. Class III railroads have the widest range of operations. Half of Class III railroads operate fewer than 47 track miles, although the average skews higher due to the inclusion of switching and terminal operations in this category. Switching and terminal operations typically operate a much higher number of miles than local carriers.

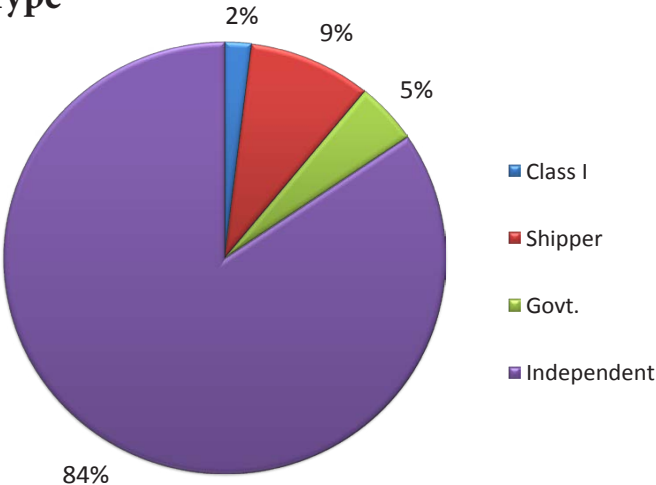
## Network Size of Small Railroads

	Regional(Class II)	Local/Switching & Terminal (Class III)	Total
Total Miles	6,316	32,348	38,664
% of Miles	16%	84%	100%
Average Miles	701 miles	108 miles	38 miles
Median Miles	377 miles	47 miles	26 miles

Source: 2016 ASLRRA Data Survey

## Railroad Ownership by Type Class II & Class III


The vast majority of short line and regional railroads are independently owned. Only 16% are owned by shippers, government entities or Class I's.






# TRAFFIC TYPE

**LOCAL**  **9%**  
moved completely on  
a short line's rail.

**ORIGINATED**  **33%**  
moved partially on  
a short line and shipped to  
the final destination by  
another transportation  
mode.

**TERMINATED**  **48%**  
transferred from a Class I train to a  
short line for final delivery.

**BRIDGED**  **10%**  
moved from one Class I  
line to another by an  
intermediate short line.

Short line and regional railroads are a critical part of the freight transportation network. Of the carloads moved on their rails, the majority either begin or end their journeys on short lines. A smaller percentage (10%) are transferred (bridged) from one Class I to another by a short line, and 9% move solely on a short line or regional railroad network.



# SHORT LINE AND REGIONAL RAILROADS TODAY

## Commodities Moved

Although railroads are typically more efficient than trucks for moving extremely heavy or bulky goods, short lines move all types of commodities.

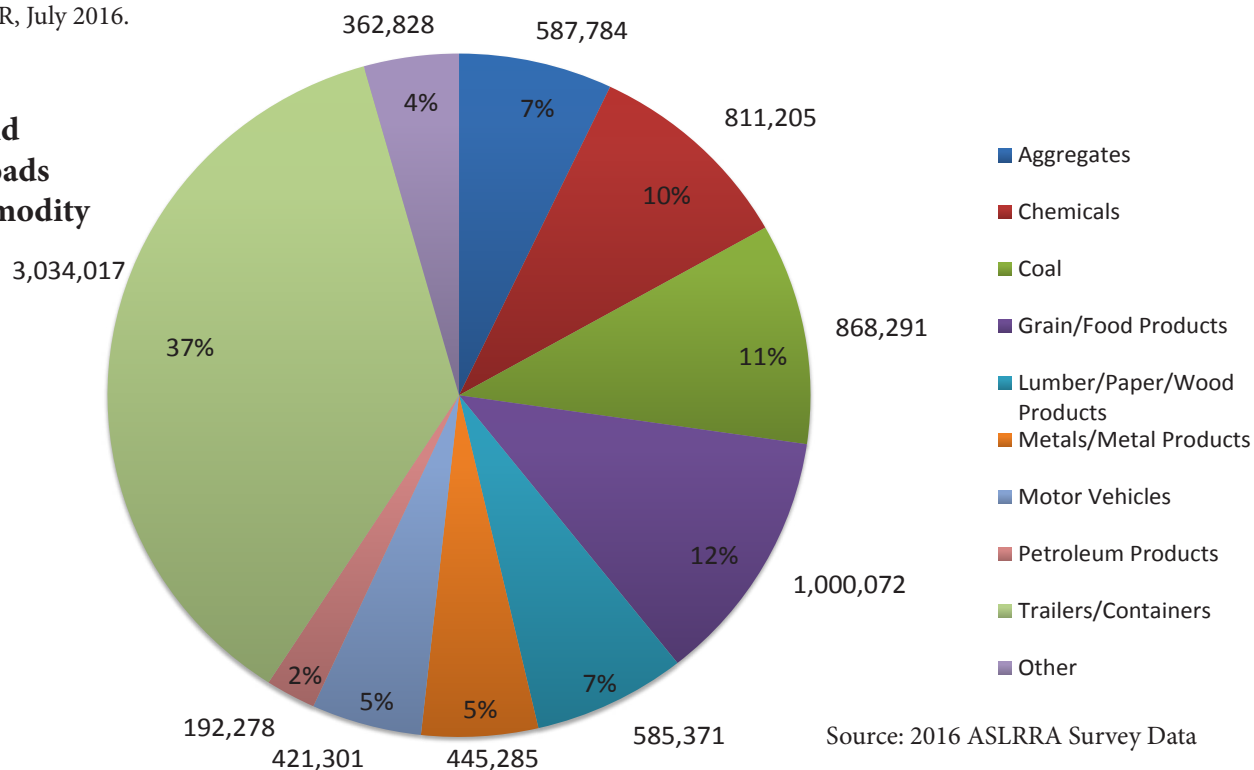
Short lines are sensitive to economic trends. Because of the physical constraints of fixed assets, such as a railroad, they are limited to seeking customers only along their routes. When one commodity is impacted negatively, short lines must be adept at either replacing the business, or being prepared to ramp up to handle new types of business.

An example in recent years is coal, which declined from a high of roughly 140,000 carloads per week in January of 2009, to 70,000 carloads per week in January of 2016.\* This volume had to be made up with creative approaches to service in order to attract new business.

\*“Railroads and Coal,” AAR, July 2016.

Grain production saw bumper crops in 2015-2016. Nimble short lines sought additional containers and worked with Class I's to move the significant overages into position for export. Short lines are often able to react more quickly to market conditions than Class I railroads.

**Short Line and  
Regional Railroads  
Carloads By Commodity  
2015**



Source: 2016 ASLRRRA Survey Data



# SHORT LINE AND REGIONAL RAILROADS TODAY

## Short Line Industry Highlights

	Class II	Class III	Total
<b>Network Characteristics</b>			
Number of Railroads	24	579	603
Route-Miles Operated	13,600	33,900	47,500
<b>Traffic Volume</b>			
Carloads Handled	2.57 million	6.52 million	9.09 million
Average per Railroad	107,083	11,226	15,075
Median per Railroad *	142,000	9,300	10,050
<b>Customers Served</b>			
Average per Railroad	73	15	18
Median per Railroad *	85	10	11
<b>Freight Revenue</b>			
Total	\$1.89 billion	\$2.75 billion	\$4.64 billion
Average per Railroad	\$79 million	\$4.75 million	\$7.68 million
Average per Mile	\$139 thousand	\$81 thousand	\$97 thousand
<b>Average Taxes Per Railroad *</b>			
Federal Income	\$10.0 million	\$1.6 million	\$2.1 million
Railroad Retirement	\$3.2 million	\$467 thousand	\$581 thousand
State	\$4.1 million	\$316 thousand	\$463 thousand
<b>Employment</b>			
Total Employees	4,900	12,900	17,800
Average per Railroad	204	22	30
Median per Railroad *	211	8	8
Union Members *	69%	50%	58%
<b>Locomotives *</b>			
Total Number	493	1,687	2,180
Median per Railroad	48	6	6
<b>Length of Haul *</b>			
Average	147	32	37.5
Median	111	25	24

Source: Network characteristics are based upon 2015 AAR data. Total employees, average employees per railroad are provided by AAR, *Railroad Facts*, 2012 edition. \*2016 ASLRRRA Data Survey. All others are short line industry figures.

# Average Class II Railroad Highlights

Local Haul  
147 miles

Customers  
Served  
73

#  
Locomotives  
48

Combined  
Tax Bill  
\$17.3 million

Annual  
Revenue  
\$79 million

Employees  
204

# Average Class III Railroad Highlights

Local Haul  
32 miles

Customers  
Served  
15

#  
Locomotives  
6

Annual  
Revenue  
\$4.75 million

Employees  
22

Combined  
Tax Bill  
\$2.38 million





# IMPACT ON U.S. ECONOMY AND SOCIETY

## Short Line and Regional Railroad Contributions:

- Serve a broad mix of industries, and nearly 10,000 customers;
- Keep jobs and industry local, employing 17,800 railroaders nationwide;
- Provide cost effective, or the only, transportation to market;
- Provide the safest mode of transportation;
- Avert wear and tear on the nation’s highways by keeping heavy goods and congestion from the nation’s aging highway infrastructure;
- \$4.64 billion in revenue to the U.S. economy;
- Over \$83 million in tax revenue in 2015.

In addition to providing revenue, short lines help avert costs to the nation’s infrastructure. Estimates indicate that one railcar hauls the equivalent of three trucks. Beyond the wear and tear, and the accident risk avoided, shipping by rail conserves approximately 93.3 million gallons of fuel per year.

A state-by-state impact of short line and regional railroads is provided on pages 19-22.



### IMPACT ON U.S. ECONOMY

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Serve thousands of customers

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Keep jobs and industry local

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Provide cost-effective alternatives, and often the only transportation to market

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Key to state economy and tax basis

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# SHORT LINE AND REGIONAL RAILROADS: TOOLS FOR SUCCESS

## *Industry Challenges*

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The short line industry represents an economic story unlike any other in the country, created by entrepreneurs who took large financial risks to save marginal or money losing Class I railroad lines from abandonment.

### **Short lines are small businesses that face significant challenges:**

- Capital-intensive operations – all railroads require significant capital investment to ensure a safe and efficient operation. Because short lines inherited the most vulnerable track in the national rail network, they must do even more to keep up. Short lines invest up to one-third of annual revenues in their infrastructure.
- Access to capital – like all small businesses, short lines cannot easily access private financing, and available financing is expensive.
- Carload traffic – in many cases, short lines serve small customers that do not ship in large volumes. Securing and managing carload traffic is labor intensive and extraordinarily competitive with truck transportation. When a current customer is adversely affected by economics or reduced product demand, the short line must attract new industry to the line.
- Class I connections – short lines depend on mutually beneficial relationships with their Class I connections in order to provide the seamless and timely transportation required by today's customers. Sometimes short lines must compete with Class I's for business.
- Regulatory compliance – short line employees wear many hats. Due to limited resources, it is difficult to comply with the variety of regulatory requirements in the same way as the much larger Class I railroads. Therefore, short lines must be diligent in their advocacy to ensure that the goals and public outcomes of regulations are able to be met in a small business environment.



# SHORT LINE AND REGIONAL RAILROADS: TOOLS FOR SUCCESS

## 45G Tax Credit

Short line operations are a capital intensive proposition. Short lines reinvest an average of 25-33% of revenues annually in capital expenditures and maintenance of way costs. As small business entities relying on a limited geographic customer base, access to the capital markets is very challenging.

To address the gap in financial need, Congress has provided the short line industry with a tax credit that has enabled short lines to invest \$4 billion back into their businesses since 2004. The tax code provision, 26 U.S. Code § 45G provides a tax credit of \$.50 on every dollar spent up to \$3,500 per mile on track and bridge improvements.

KEYS TO SUCCESS

ACCESS TO CAPITAL

45G TAX CREDIT

CLASS I COLLABORATION

STRONG SAFETY CULTURE

JUSTIFIED REGULATION

This investment has significantly improved efficiency and safety. Rehabilitated track allows short lines to move the heavier and longer trains that the Class I network requires. Rehabilitated track is essential for the safety of employees and the general public and for the reliable movement of goods for customers.

Since the implementation of 45G, freight railroads have upgraded miles of track to handle a 280,000 pound gross rail load, maintained bridges, and installed miles of welded rail. In 2015 alone, 2,140 miles of rail were upgraded and 5.27 million ties were replaced. Altogether, short lines spent \$1.12 million, or 24% of revenue, in capital expenditures and maintenance in 2015.



# SHORT LINE AND REGIONAL RAILROADS: TOOLS FOR SUCCESS

## *Track Maintenance and Technology Improves Safety*

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Short line and regional railroads have made safety improvements a priority over the last decade. The significant investment in improvements and track maintenance have driven monumental advancements. Since 1998, small railroads have reduced the total number of injuries on their operations by two-thirds, to just over 500. Fatalities are also trending downward with the injury rate descending to an all-time low of 2.9 per 200,000 man-hours worked.

Source: 2015, Federal Railroad Administration Office of Safety

## *Creation of the Short Line Safety Institute (SLSI)*

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While maintenance, technology improvements, and compliance with regulations assist in providing safe operations, there is also the people side of the equation, or the safety culture of a railroad. Safety culture is defined as the shared values, actions, and behaviors that demonstrate a commitment to safety over competing goals and demands.

In 2015, ASLRRA had identified safety culture as a top priority for the short line and regional railroad industry in the face of increased media attention paid to a series of unfortunate and tragic accidents. Members of ASLRRA's leadership team approached the Federal Railroad Administration with a proposal supported by Senators Susan Collins (R-Maine) and Patty Murray (D-Washington), Ranking Member and Chair of the Senate Appropriations Subcommittee for Transportation respectively, to create an Institute charged with evaluating safety culture on short line and regional railroads.

Toward that end, the Federal Railroad Administration's (FRA) Office of Research and Development put forward \$250,000 to develop a pilot project to conduct safety culture assessments of short line railroads. A comprehensive safety culture assessment program was developed and tested during a Pilot Phase. In late 2015, the SLSI was incorporated as a non-profit organization, and its first Executive Director was hired.

Today, the SLSI is extremely active in building awareness of the importance of a strong safety culture in the short line and regional railroad community. The Institute provides resources such as safety culture assessments, education and training, communication, and research to further develop short line and regional railroad safety culture. For more information on the Short Line Safety Institute, visit [www.shortlinesafety.org](http://www.shortlinesafety.org).

# APPENDIX

## Short Lines and State Rail Networks

Small railroads operate 29% of the rail network in the nation, but they operate the entire rail network in five states: Alaska, Maine, New Hampshire, Rhode Island and Vermont.

State	# Small Railroads	Track Miles Operated			
		Total	Class I	Small RR	% Small Railroad
Alabama	20	3255	2299	956	29.4%
Alaska	1	611	0	611	100.0%
Arizona	7	1679	1237	442	26.3%
Arkansas	22	2801	1681	1120	40.0%
California	21	5240	4019	1221	23.3%
Colorado	12	2663	2019	644	24.2%
Connecticut	7	364	6	358	98.4%
Delaware	4	227	183	44	19.4%
District of Columbia	1	23	18	5	21.7%
Florida	12	2908	1701	1207	41.5%
Georgia	20	4675	3309	1366	29.2%
Idaho	9	1591	967	624	39.2%
Illinois	36	7119	4468	2651	37.2%
Indiana	36	4371	2714	1657	37.9%
Iowa	13	3902	1982	1920	49.2%
Kansas	10	4890	2815	2075	42.4%
Kentucky	9	2559	1979	580	22.7%
Louisiana	11	2884	2106	778	27.0%
Maine	7	895	0	895	100.0%
Maryland	7	759	569	190	25.0%
Massachusetts	10	929	276	653	70.3%
Michigan	21	3582	721	2861	79.9%
Minnesota	17	4480	2019	2461	54.9%
Mississippi	21	2296	1036	1260	54.9%
Missouri	12	4050	3327	723	17.9%

Source: AAR *Railroad Facts*, 2013. Note: Total miles above reflect track-miles, or miles of physical track on a railroad, and includes double-tracked line, and sidings. For example, if a railroad has a siding that is one mile long, they have two track miles – one of mainline track, and one of siding. Therefore, the totals will not be the same as route mile totals listed in other areas of the Fact Book. There were no short lines reported as operating in Hawaii.

# APPENDIX

## Short Lines and State Rail Networks

State	# Small Railroads	Track Miles Operated			
		Total	Class I	Small RR	% Small Railroad
Montana	6	3173	2034	1139	35.9%
Nebraska	8	3215	2412	803	25.0%
Nevada	0	1192	1192	0	0.0%
New Hampshire	9	426	0	426	100.0%
New Jersey	15	983	189	794	80.8%
New Mexico	3	1835	1431	404	22.0%
New York	33	3161	1534	1627	51.5%
North Carolina	20	3246	2336	910	28.0%
North Dakota	7	3346	1716	1630	48.7%
Ohio	33	5305	3248	2057	38.8%
Oklahoma	16	3275	2011	1264	38.6%
Oregon	15	2394	1102	1292	54.0%
Pennsylvania	51	4942	2171	2771	56.1%
Rhode Island	1	19	0	19	100.0%
South Carolina	12	2292	1947	345	15.1%
South Dakota	9	1747	897	850	48.7%
Tennessee	20	2641	1679	962	36.4%
Texas	41	10403	8375	2028	19.5%
Utah	5	1348	1254	94	7.0%
Vermont	8	590	0	590	100.0%
Virginia	7	3212	2772	440	13.7%
Washington	19	3162	1738	1424	45.0%
West Virginia	7	2255	1879	376	16.7%
Wisconsin	7	3503	864	2639	75.3%
Wyoming	2	1860	1844	16	0.9%
<b>TOTAL</b>		<b>138,278</b>	<b>86,076</b>	<b>52,202</b>	<b>37.8%</b>

Source: AAR *Railroad Facts*, 2013. Note: Total miles above reflect track-miles, or miles of physical track on a railroad, and includes double-tracked line, and sidings. For example, if a railroad has a siding that is one mile long, they have two track miles – one of mainline track, and one of siding. Therefore, the totals will not be the same as route mile totals listed in other areas of the Fact Book. There were no short lines reported as operating in Hawaii.



# APPENDIX

## Short Lines and State Economics

Short line and regional railroads provide an efficient mode of transportation in 49 states. Freight rail provides significant tax revenue, and avoids wear and tear on our nation's highways, saving taxpayers and local government more than \$1.5 billion per year.

State	Estimated State Employment	State & Local Taxes	Carloads Handled	Truck Equivalents	Estimated Pavement Damage Savings
Alabama	545	\$18,038,000	402,000	1,154,000	\$50,000,000
Alaska	385	Not reported	76,000	218,000	\$9,000,000
Arizona	191	\$600,000	130,000	373,000	\$16,000,000
Arkansas	283	\$1,246,000	199,000	571,000	\$25,000,000
California	506	\$1,734,000	2,684,000	7,704,000	\$333,000,000
Colorado	77	\$637,000	33,000	96,000	\$4,000,000
Connecticut	107	\$347,000	71,000	203,000	\$9,000,000
Delaware	35	Not reported	11,000	30,000	\$1,000,000
Florida	1,112	\$9,458,000	705,000	2,024,000	\$87,000,000
Georgia	212	\$717,000	208,000	598,000	\$26,000,000
Idaho	682	\$487,000	465,000	1,336,000	\$58,000,000
Illinois	1,407	\$5,108,000	953,000	2,734,000	\$118,000,000
Indiana	1,323	\$3,181,000	835,000	2,397,000	\$104,000,000
Iowa	494	\$9,056,000	309,000	888,000	\$38,000,000
Kansas	312	\$2,133,000	145,000	417,000	\$18,000,000
Kentucky	316	\$6,916,000	185,000	530,000	\$23,000,000
Louisiana	377	\$549,000	250,000	718,000	\$31,000,000
Maine	260	\$996,000	48,000	268,000	\$6,000,000
Maryland	85	\$196,000	37,000	106,000	\$5,000,000
Massachusetts	132	\$45,000	55,000	157,000	\$7,000,000
Michigan	482	\$1,353,000	271,000	777,000	\$34,000,000
Minnesota	469	\$832,000	176,000	504,000	\$22,000,000
Mississippi	231	\$2,267,000	167,000	480,000	\$21,000,000
Missouri	200	\$1,521,000	138,000	397,000	\$17,000,000

Source: 2016 ASLRRA Data Survey. Note: If a railroad runs in a number of states, employees and carloads handled are listed for each state that the railroad operates in. For example, if a railroad has ten employees and runs through Maryland and Virginia, the ten employees will be listed in both Maryland's and in Virginia's totals. Therefore, the Total Employees or Total Carloads may include some employees or carloads multiple times. There were no short lines reported in D.C., Hawaii, or Nevada.

# APPENDIX

## Short Lines and State Economics (Continued)

Formula for determining pavement damage provided by the Texas Transportation Institute

- 1 carload = 2.87 truck (1 truck = 0.348 carloads)
- 1 truck = \$43.17 pavement damage

State	Estimated State Employment	State & Local Taxes	Carloads Handled	Truck Equivalents	Estimated Pavement Damage Savings
Montana	688	\$46,000	405,000	1,163,000	\$50,000,000
Nebraska	453	Not reported	163,000	467,000	\$20,000,000
New Hampshire	134	Not reported	63,000	180,000	\$8,000,000
New Jersey	980	\$31,000	72,000	205,000	\$9,000,000
New Mexico	136	\$46,000	45,000	129,000	\$6,000,000
New York	951	\$1,976,000	177,000	508,000	\$22,000,000
North Carolina	147	\$704,000	88,000	253,000	\$11,000,000
North Dakota	217	\$371,000	53,000	151,000	\$7,000,000
Ohio	531	\$1,493,000	247,000	710,000	\$31,000,000
Oklahoma	302	\$886,000	182,000	522,000	\$23,000,000
Oregon	310	\$1,372,000	114,000	328,000	\$14,000,000
Pennsylvania	841	\$1,759,000	174,000	498,000	\$22,000,000
Rhode Island	147	Not reported	28,000	79,000	\$4,000,000
South Carolina	98	\$774,000	43,000	124,000	\$5,000,000
South Dakota	388	\$620,000	106,000	306,000	\$13,000,000
Tennessee	183	\$31,000	59,000	169,000	\$7,000,000
Texas	971	\$1,208,000	357,000	1,024,000	\$45,000,000
Utah	68	\$379,000	52,000	148,000	\$6,000,000
Vermont	425	\$970,000	100,000	286,000	\$12,000,000
Virginia	169	\$223,000	57,000	162,000	\$7,000,000
Washington	796	\$1,772,000	580,000	1,666,000	\$72,000,000
West Virginia	502	Not reported	215,000	617,000	\$27,000,000
Wisconsin	218	\$1,094,000	70,000	200,000	\$9,000,000
Wyoming	223	\$11,000	71,000	203,000	\$9,000,000
<b>TOTAL</b>	<b>20,101</b>	<b>\$83,183,000</b>	<b>12,074,000</b>	<b>34,778,000</b>	<b>\$1,501,000,000</b>

Source: 2016 ASLRRRA Data Survey. Note: If a railroad runs in a number of states, employees and carloads handled are listed for each state that the railroad operates in. For example, if a railroad has ten employees and runs through Maryland and Virginia, the ten employees will be listed in both Maryland's and in Virginia's totals. Therefore, the Total Employees or Total Carloads may include some employees or carloads multiple times. There were no short lines reported in D.C., Hawaii, or Nevada.

## GLOSSARY OF INDUSTRY TERMS

- Abandonment** – permission sought by or granted to a carrier by a state or federal agency to cease operation of all or part of a route or service.
- Bridged** – a car moved from one Class I line to another by an intermediate short line.
- Carload Traffic** – measurement of number of railcars shipped.
- Class I, II, III Railroad** – see inside front cover for definitions.
- Commodity** – any article of commerce or foods shipped.
- Consist** – a list of all of the cars in a train in standing order (from engine to caboose/marker).
- Interchange Agreement** – a contractual arrangement between two railroads that stipulates the terms by which they will hand off goods to one another at specified junction points.
- Lease Agreement** – a contractual arrangement where trackage is assigned to a railroad, and will be treated the same as private track, but owned by another entity.
- Local Move** – a shipment of cars moved completely on a short line's rail.
- M.O.W.** – maintenance of way. The department which repairs, replaces and maintains tracks, structures and physical plant on a railroad property.
- Originated** – a car moved partially on a short line and shipped to the final destination by another transportation mode.
- Siding** - track that stores stationary cars, especially for loading and unloading, or holds one train in order for another to pass.
- Staggers Act** – 1980 legislation that eliminated regulatory burdens, credited with saving the private freight rail industry.
- Switching** – the transfer of cars from one place to another within a terminal, a yard, or an industry.
- Tenant Railroad** – a railroad that leases facilities or rail.
- Terminal Railroad** – a freight railroad company whose primary purpose is to perform local switching services or to own and operate a terminal facility to connect carloads to other modes of transport or other carriers.
- Terminated** – a car transferred from a Class I train to a short line for final delivery.
- Trackage Right** – right obtained by one railroad to operate its train over the tracks of another railroad.
- Unit Train** – also called a block train or a trainload service, carries all cars from the same origin to the same destination, without being split up or stored en route.
- Waybill** – a customer's commercial and transportation requirements used by the railroad to effect the movement of a car from origin to destination, and to generate the freight bill.





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