



KSRRA Winter and Annual Meeting Recap

Annual Meeting

Our annual election of Board Members and appointment of Officers was held at our annual meeting immediately following the winter meeting.

The following individuals have been elected:

Directors – Term Expiration December 31, 2021

1. Jocelyn Hill Esq., Conrail
2. Amanda Sargent, Burns White LLC
3. Jeff Stover, SEDA-COG Joint Rail Authority
4. Tracy Clark, Buffalo & Pittsburgh Railroad
5. Tim Potts, RJ Corman

Officers – Term Expiration December 31, 2019

1. President – Jeb Stotter, North Shore Railroad
2. Vice President – Stephen Weaver, Strasburg Rail Road
3. Treasurer – Jeff Stover, SEDA-COG Joint Rail Authority
4. Secretary – Jocelyn Hill Esq., Conrail

The annual meeting concluded with a budget presentation and adoption, and presentations by associate members: HDR, Inc., Stone Consulting Inc., and Nauman, Smith, Shisler & Hall, LLP.

Winter Meeting

Our winter and annual meetings were held on Tuesday, January 29, 2019 at the State Capitol.

We started the morning off with a visit from Richard Buie from PennDOT. He gave an update on the 2018 grant process. The grants for 2018 are still in review, and there is not yet a time frame for grant approvals from the State.

The next guest was Eric Bugaile from the House Transportation Committee. He talked about the incoming Chairman, Rep. Tim Hennessey, and gave a brief bio of the Chairman. He also gave a recap of who has been appointed to the committee for the upcoming 2019-2020 session. Representative Mike Carroll has been named the new Democratic Chair of the Transportation Committee.

Brian Reilly of the FRA was our next featured guest. Brian gave a presentation of the Confidential Close Call Reporting System. He talked about the basics of the system, how reporting is totally anonymous, how it works to cut down on safety issues that might arise, and whom the FRA is currently working with in the Commonwealth, including KSRRA member Strasburg Rail Road.

KSRRA President Jeb Stotter announced that the 2020 Rail freight conference will be held at the Lancaster Marriott in downtown Lancaster on April 15 - 16, 2020. The Board discussed the formation of several committees to help assist with organizing this event.

New Majority Senate Transportation Committee Chair, Kim Ward, and Senate Transportation Committee Executive Director, Nolan Ritchie, joined the meeting and took questions. Opposition to increased truck size and weight was discussed.

Thank you to everyone who braved the weather and joined us for another successful meeting. The turnout was very good, especially given the snow.

The next KSRRA meeting will be held April 29, 2019, and Rail Day on the Hill is Tuesday, April 30, 2019. Please mark these dates in your calendars and be sure to attend.

Upcoming Events

Delaware River Port Authority/ PATCO

February 5, 2019 - 9:00 a.m.
2 Riverside Drive, Camden NJ
Operations & Maintenance Committee Meeting. For additional information: (856) 968-2253

Camden NJ Labor Committee Meeting

February 5, 2019 - 10:30 a.m.
2 Riverside Drive,
For additional information: (856) 968-2253

PA Turnpike Commission

February 5, 2019 - 2:00 p.m.
Turnpike Admin. Bldg.
Large Board Room
700 S. Eisenhower Blvd., 3rd Fl.,
Middletown Commission Meeting.
For additional information: (717) 831-7333

Delaware River Port Authority/ PATCO

February 6, 2019 - 9:00 a.m.
2 Riverside Drive, Camden NJ Finance
Committee Meeting. For additional
information: (856) 968-2253

PA Public Utility Commission

February 7, 2019 - 10:00 a.m.
Commonwealth Keystone Building
Hearing Room 1, 400 North St.
Harrisburg Public Meeting. For
additional information: (717) 783-1740

Pennsylvania Legislature 2019 Session Schedule

SENATE:

FEBRUARY	4, 5, 6
MARCH	18, 19, 20, 25, 26, 27
APRIL	8, 9, 10, 29, 30
MAY	1, 6, 7, 8
JUNE	3, 4, 5, 10, 11, 12, 17, 18, 19, 24, 25, 26, 27, 28

HOUSE:

FEBRUARY	4, 5, 6, 19, 20, 21
MARCH	11, 12, 13, 18, 19, 20, 25, 26, 27
APRIL	8, 9, 10, 15, 16, 17, 29, 30
MAY	1, 6, 7, 8, 13, 14, 15, 22, 23
JUNE	3, 4, 5, 10, 11, 12, 17, 18, 19, 20, 24, 25, 26, 27, 28

FEBRUARY 4, 2019

Wolf wants to fund infrastructure with shale tax; Republicans say nope

Katie Meyer and Matt Rourke / AP

Gov. Tom Wolf is asking the Republican-controlled state House and Senate to sign on to a sweeping new infrastructure plan.

It carries a \$4.5 billion price tag, and Wolf is pitching a natural gas severance tax to pay for it.

In fact, this is the fifth year in a row Wolf has proposed a severance tax on natural gas production. In the past, he's suggested using them to fund everything from education to deficit reduction.

Every year, the GOP-led Legislature has shot him down.

This time, Wolf isn't including the tax in his annual budget proposal. It is being introduced as bipartisan-backed bills in the House and Senate. They would route the proceeds directly toward infrastructure improvements — like broadband expansion, flood remediation, and urban blight reduction.

"I'm personally tired, and I think most of the people in this building are tired, of going out to flooded areas or blighted areas or places without internet access and saying, 'I'm sorry for your pain, there's nothing I can do about it,'" Wolf said. "Here's something we can do about it."

The tax would rise and fall with the price of natural gas. The administration estimates the effective rate would oscillate between about three and five percent, not including the money already leveraged from an existing impact fee and other business levies.

When gas prices are below \$3, that would mean a severance tax around 9.1 cents for every thousand cubic feet of gas extracted. If the price were to rise above \$6, the tax would be about 15.7 cents per thousand cubic feet.

It would take effect next year. After that, Wolf wants to borrow \$4.5 billion over four years to fund the projects, then pay the money off using tax proceeds for the next 20 years or so.

The administration didn't say how much interest might cost. Wolf is anticipating the tax would bring in around \$300 million annually.

But that all depends on both chambers passing the proposal, which is highly unlikely.

Despite having a GOP member from the moderate southeastern part of the state co-sponsoring the plan, House Republicans quickly issued a statement saying their caucus doesn't have enough votes to support it overall.

"The governor's proposal includes three of the worst ways to grow an economy: taxing, borrowing and uncontrolled government spending," a spokesman wrote in a statement.

While the caucus said they do support improving infrastructure, they maintained it "cannot come at the expense of the Commonwealth's economy and taxpayers."

Senate Republicans haven't returned a request for comment.

Their chamber did pass a version of Wolf's severance tax proposal in a recent session—though that agreement hinged on a slate of permitting changes many Democrats and environmental advocates don't support.

Asked if he could improve infrastructure without taxing gas, Wolf was blunt.

"No," he said. "I don't have any alternative ideas." View the full plan [HERE](#).

In The News

1/31/2019 – *Progressive Railroading* - **House bill would allow states to count fed loans toward infrastructure financing share** - https://www.progressiverailroading.com/federal_legislation_regulation/news/House-bill-would-allow-states-to-count-fed-loans-toward-infrastructure-financing-share--56645

1/31/2019 – *Progressive Railroading* - **CN scores solid Q4 results, sets record capital spending for 2019** - https://www.progressiverailroading.com/canadian_national/news/CN-scores-solid-Q4-results-sets-record-capital-spending-for-2019--56629

2/01/2019 – *Politico* - **U.S. economy created 304,000 jobs in January** - <https://www.politico.com/story/2019/02/01/january-jobs-report-us-economy-labor-numbers-1141618>