



# REBUILD RURAL

#RebuildRural



## TRANSPORTATION

Rural America's transportation infrastructure needs serious investment. Home to 60 million people and playing a vital role in the U.S. economy, rural America contains much of the country's natural resources, and is the primary source of food, fiber and energy.

Connectivity remains critical to supporting the competitive advantage that rural communities bring to the economy. Road, bridges, highways and waterways provide the first and last links in the supply chain from farm to market.

### Rural Roads and Bridges

The roads and bridges that serve and connect our country's rural areas face significant challenges. Inadequate capacity to handle growing levels of traffic and commerce, limited connectivity, the inability to adequately accommodate growing freight travel and deteriorating road and bridge conditions top the list. The nation's rural roads and bridges have significant deficiencies due to underfunding: 15 percent of the nation's major rural roads have pavements rated in poor condition, 21 percent rated in mediocre condition and 10 percent of rural bridges rated structurally deficient.

The Rebuild Rural asks for an increase in federal transportation funding and a recognition of the unique needs that rural roads and bridges present to ensure their eligibility for federal grants and funding. State, local, rural and agricultural stakeholders should also have the ability to prioritize federal funds to best meet the needs of their communities.

### Railroads

The nation's 603 short line and regional railroads operate 29 percent of the nation's freight rail network. In four states, short lines operate 100 percent of freight rail, and in 36 states they operate more than 25 percent. For large areas of rural and small-town America, short lines offer the sole method for shippers to connect to the national rail system, helping businesses and employment stay local. The Short Line "45G" Rehabilitation Tax Credit, first enacted by Congress in 2004 and extended with bipartisan support on seven occasions, has successfully allowed short lines to privately invest more than \$4 billion since its inception. The Rebuild Rural Coalition believes making this tax credit permanent would play an important role in improving our nation's rural transportation infrastructure. Rebuild Rural also supports an expansion of the FRA's CRISI grant program to benefit short line infrastructure projects in rural areas and cautions against unnecessary regulations such as crews size mandates that provide no safety or operational benefits.

### Waterways

America's inland waterways system provides the lowest-cost, most fuel-efficient and environmentally friendly method to transport products. Exports of agricultural goods make up 20 percent of farm income and support more than one million jobs. Seventy-two percent of U.S. agricultural exports, valued at \$128 billion, travel by water, and every \$1 billion in U.S. exports

shipped through ports supports 15,000 U.S. jobs.

Our nation's lock and dam system urgently needs extensive maintenance and modernization. Most locks and dams were built in the 1920s and 1930s. They have far exceeded their 50-year design lifespan. In 2017, 49 percent of barge vessels experienced delays, up from 35 percent in 2010. The impact of these delays costs nearly \$45 million annually and adversely affect the price farmers earn for their grain.

The inland waterways system currently benefits from a successful public-private partnership. Commercial users pay 50 percent of the cost of inland waterway construction and major rehabilitation projects through a 29-cent-per-gallon diesel fuel tax paid into the Inland Waterways Trust Fund, paired with matching federal funds.

Outlined in USDA's 2019 report, The Importance of Inland Waterways to U.S. Agriculture, the Rebuild Rural Coalition believes that Congress should prioritize providing \$6.3 billion in increased funding to construct all authorized inland waterways projects over the next 10 years. In addition, we should unlock the Harbor Maintenance Trust Fund's \$9 billion surplus for dredging and other waterway maintenance. Including these projects in an infrastructure package, as well as funding for rural roads and bridges, would provide a dedicated, predictable funding stream that allows for the completion of projects in the most timely and cost-effective manner possible.

## REBUILD RURAL COALITION

50 F Street, NW, Suite 900 · Washington, DC 20001 · 202.626.8710

[www.rebuildrural.com](http://www.rebuildrural.com)