

# Railcar Modernization means better fuel efficiency, public safety -- CO-SPONSOR H.R. 8082

Sending Office: Honorable Bradley Scott Schneider  
Sent By: [Tommy.Brown@mail.house.gov](mailto:Tommy.Brown@mail.house.gov)

Dear Colleague:

We invite you to cosponsor [H.R.8082, the Freight Rail Assistance & Investment to Launch Coronavirus-era Activity & Recovery Act \(Freight RAILCAR Act\)](#). This vital legislation seeks to protect the jobs in America's robust freight railcar manufacturing industry from the devastating economic effects of the COVID-19 pandemic, while also working to modernize railcar fleets nationwide.

Our bill provides tax credits to encourage the replacement or modernization of North America's freight railcar fleet with higher capacity, more fuel-efficient, and safer vehicles, which helps stabilize the 65,000 U.S. jobs dependent on the railcar manufacturing industry and preserves our domestic supply chain in the wake of increasingly turbulent economic times.

In summary, the Freight RAILCAR Act:

- Provides a time-limited 50% tax credit for replacing or refurbishing railcars to improve fuel efficiency or capacity by at least 8%. This credit will expire on December 31, 2024.
- Provides a separate tax credit available for the scrapping of a railcar based on the depreciated value of that specific asset. This credit also expires on December 31, 2024.
- Provides a time-limited 50% tax credit for capital expenditures for equipment or technology enhancements in railcar-related manufacturing facilities or repair shops if that equipment improves the efficacy, quality, or safety of railcar or railcar component manufacturing. This credit will expire on December 31, 2023.

Built from lightweight, high-strength materials, modernized railcars are safer, have greater carrying capacity, and reduce fuel consumption, resulting in greener transportation with reduced shipping costs. And with both the recycling of old railcars and the increased demand for new ones, this legislation would help stimulate the American steel industry. The small upfront investment means long-term benefits for manufacturers and consumers alike.

America's freight railcar manufacturers are the backbone to American commerce. A full economic recovery is not possible without a robust, modern freight railcar fleet. If we do not rapidly modernize American's freight railcar fleets during this critical time, we risk the permanent loss of thousands of jobs and a key critical infrastructure industry.

We hope that you will consider cosponsoring this much-needed economic, environmentally friendly legislation.

Please contact Tommy Brown in Representative Schneider's office or Samantha Dybas in Representative LaHood's office to sign onto the Freight RAILCAR Act.

Sincerely,

Representative Brad Schneider

Representative Darin LaHood