



U.S. House Transportation and Infrastructure (T&I) Members Call for Investigation Into Chinese Railcar Contract for SEPTA

Rail Security Alliance supports the call for a review of the CRRC MA railcar contract with SEPTA to ensure adherence of Buy America requirements

(Washington, DC) – U.S. House Transportation and Infrastructure (T&I) Committee members have asked the U.S. Department of Transportation Inspector General to investigate a contract that the Southeastern Pennsylvania Transportation Authority (SEPTA) has with Chinese railcar manufacturer CRRC MA. The members believe CRRC MA may not be in compliance with the Federal Transit Administration’s (FTA) Buy America requirements.

Writing to Inspector General Eric Soskin, T&I Committee Ranking Member Sam Graves (R-MO), Rep. Rodney Davis (R-IL), ranking member of the committee’s Highways and Transit Subcommittee, and Rep. Eric A. “Rick” Crawford, ranking member of the Subcommittee on Railroads, Pipelines, and Hazardous Materials, said:

“It has come to our attention that the state-owned China Railway Rolling Stock MA Corporation (CRRC MA) is fully building passenger railcars in China and plans to ship them to SEPTA—apparently in contrast with FTA’s Buy America requirements for rolling stock procurement. As such, we request that the United States Department of Transportation Inspector General (DOT IG) initiate a review of SEPTA’s ongoing contract with CRRC MA to ensure compliance with FTA’s Buy America standards.”

In response, Rail Security Alliance Executive Director Erik Olson thanked the Members for their attention to the safety and security of the nation’s railcar industry, as well as to the tens of thousands of manufacturing and supply jobs that Chinese state-owned enterprises like CRRC threaten.

“CRRC MA is years behind schedule on delivery for new passenger cars for SEPTA and, according to independent reporting, appears to now be attempting to deliver cars by fully building them in China, entirely bypassing Buy America laws meant to protect domestic jobs. When it comes to the safety and reliability of the U.S. passenger rail industry, as well as the 65,000 jobs that support it, CRRC’s \$138 million contract with SEPTA is significant and worth investigating,” Olson said.

“We concur with Ranking Member Graves and his colleagues and ask for a full investigation into the details of the CRRC MA contract with SEPTA. Too much is at risk,” he added.



In response to reporting by the [Philadelphia Inquirer](#) on the CRRC contract earlier this year, which showed fully built railcar shells being shipped from China to the U.S., the Congressmen asked FTA for answers on the following:

1. How FTA and SEPTA are certifying CRRC MA's adherence to FTA's Buy America requirements.
2. How FTA and SEPTA determine the total value of foreign components for the purpose of the Buy America requirements and if any foreign components in the CRRC MA contract are undervalued against their domestic market rate in the United States.

The full text of the letter is available [here](#).

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ABOUT THE RAIL SECURITY ALLIANCE

The Rail Security Alliance exists to support and encourage the adoption and enactment of U.S. policies, procedures and laws that are designed to promote the security of the railroads and the railroad system of the United States of America.

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