



The 2023 Freight RAILCAR Act Modernizes Domestic Freight Railcar Fleet, Supports 65,000 Manufacturing and Supply Jobs

RSA on bill introduction: Sponsors LaHood and Schneider are “championing” U.S. workers, environmental sustainability, and vital transportation and manufacturing sector

(Washington, D.C.) – Today, the Rail Security Alliance applauded the [leadership of U.S. Reps. Darin LaHood \(R-IL-18\) and Brad Schneider \(D-IL-10\)](#) for introducing the [Freight RAILCAR Act of 2023](#) in the 118th Congress. The bill, known as the [“Freight Rail Assistance and Investment to Launch Coronavirus-era Activity and Recovery Act” \(H.R. 838\)](#), was introduced with a total of 29 original bipartisan cosponsors.

Rail Security Alliance Executive Director Erik Olson said, *“Through the introduction of [H.R. 838](#), Reps. LaHood and Schneider are championing 65,000 family-wage manufacturing and supply jobs, environmental sustainability in freight railcar manufacturing, and the foundation to incentivize the private investment needed to modernize our country’s freight railcar fleet.”*

In announcing the Freight RAILCAR Act, Rep. [LaHood said](#), *“Illinois’ rail network is a vital economic driver that impacts agriculture, manufacturing, and our local communities. The Freight RAILCAR Act will spur job growth in the freight rail manufacturing sector, creating opportunities to invest in critical freight rail infrastructure, and strengthen our transportation system,” said Rep. LaHood. “I am proud to again join my colleague from Illinois, Brad Schneider, to reintroduce our bill that will support thousands of jobs in the United States.”*

Because transport by freight rail is three to four times more fuel-efficient than other modes of transportation, the Freight RAILCAR Act builds on the sector’s current environmental efficiencies to encourage greater sustainability.

Rep. Schneider said, announcing H.R. 838, *“I am proud to reintroduce this legislation with my colleague, Rep. LaHood, to protect jobs in the rail sector and help build a more fuel-efficient and safer rail fleet,” said Rep. Schneider. “As we’ve seen over the last three years, it is critical we strengthen every part of our supply chain – including all components of rail infrastructure – to be more resilient, especially as our economy emerges from the pandemic.”*

Why the Freight RAILCAR Act of 2023 is important

The current North American railcar fleet is comprised of more than 1.6 million railcars with approximately 291,000 in storage. Over a 15-year timeframe, approximately 250,000 railcars will need to be updated. Upcycling these less efficient railcars sooner ensures the domestic freight railcar fleet is more efficient, innovative, and sustainable.

Due to modern manufacturing methods and materials, new railcars have significant safety and efficiency improvements that result in more goods being delivered to market faster, while reducing wear and tear on rail lines, further reducing incidences of service disruptions.

H.R. 838 provisions and benefits

The Freight RAILCAR Act provides a time-limited 10 percent tax credit for new railcars or modification of existing railcars to help offset the costs associated with either of the following:

- Replacing two existing railcars with a new railcar that improves fuel efficiency or capacity by at least 8 percent; or
- Refurbishing or modernizing an existing railcar to improve fuel efficiency or capacity by at least 8 percent or to upgrade to DOT-117 tank car specifications.
- If just one-third of the almost 300,000 outdated hopper cars were replaced by higher capacity railcars, 4.3 million gallons of diesel fuel would be saved per year in the first year alone.

For more about the [Freight RAILCAR Act of 2023 \(H.R. 838\)](#), including its environmental benefits, please [click 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.*