



## **RSA to FRA: Proposed Rule “Closes Gap,” Ensuring Freight Rail Security**

*RSA joins other domestic freight railcar manufacturers and supply groups in support of the Federal Railroad Administration’s proposed rule that safeguards the North American freight rail sector*

WASHINGTON, D.C. (Feb. 7, 2024) — The [Rail Security Alliance](#), which represents the North American freight railcar manufacturers and suppliers, [submitted comments](#) in support of a Federal Railroad Administration (FRA) notice of proposed rulemaking which safeguards the U.S. freight rail interchange system from foreign threats.

The proposed rule, originally introduced as the “Stopping America’s Foreign Enemies Through Rail and Infrastructure National Security (SAFE TRAINS Act),” was enacted as a provision in the Infrastructure Investment Jobs Act and signed into law on November 15, 2021. It prevents freight railcars and sensitive technologies on railcars operating within the U.S. freight rail network from being produced by countries on U.S. watchlists, most notably China.

“The constant movement on the U.S. freight rail interchange is vital to America’s security, which makes the freight railcar sector worth safeguarding,” RSA Executive Director Erik Olson said. “The proposed rule that FRA has issued helps ensure that foreign adversaries like China cannot exploit our freight rail infrastructure or make inroads into this critical industry. We commend the FRA for their work.”

As noted in its public comment, while Buy America requirements and the FY 2020 National Defense Authorization Act take steps to protect some aspects of domestic freight railcar manufacturing and supply, they *“do not afford the freight railcar industry protections against an influx of state-subsidized rolling stock or components. The Act, which FRA seeks to implement in this NPRM, closes that gap”* and is *“critical to ensuring the continued security of the U.S. general railroad system of transportation.”*

RSA joins other American railcar manufacturers and suppliers in support for the proposed rule to protect U.S. companies against CRRC Corporation Limited (CRRC), including the Steel Manufacturers Association, American Iron and Steel Institute, Foundry Society, Alliance for American Manufacturing, Railway Supply Institute, United Steelworkers and Brotherhood of Locomotive Engineers & Trainmen — Teamsters Rail Conference; the Canadian Association of Railcar Suppliers also commented in support of the draft rule.

On CRRC, RSA noted: *“as it pursues its goal of displacing those same U.S. companies and dominating railcar manufacturing in the United States and around the world. This \$35 billion SOE has made aggressive and alarming inroads into the U.S. by using state-backed financing, direct government subsidization (\$1.8 billion since 2015), below-market pricing, and other anti-competitive tactics to infiltrate domestic railcar manufacturing and with the single end goal of*



*producing all railcars in the People's Republic of China ("China") – wiping out American manufacturing in the process.*

*FRA's NPRM is a critical step toward supporting the continued viability and robustness of the domestic freight railcar manufacturing industry and, therefore, ensuring the safety of the North American rail system."*

### **About the SAFE TRAINS Act**

The SAFE TRAINS Act was first introduced by U.S. Sens. John Cornyn (R-TX), Tammy Baldwin (D-WI) and Jerry Moran (R-KS), with Sens. Baldwin and Moran including the legislation as an amendment during Senate Commerce Committee consideration of what became the Infrastructure Investment and Jobs Act of 2021. The IIJA's SAFE TRAINS Act builds on previous legislation, including the Foreign Investment Risk Review Modernization Act (FIRRMA) and the Transit Infrastructure Vehicle Security Act (TIVSA), intended to protect U.S. critical infrastructure from foreign threat.

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### **About the Rail Security Alliance**

The [Rail Security Alliance](#) supports and encourages the adoption and enactment of U.S. policies, procedures and laws that promote the security of the railroads and the railroad system of the United States of America. RSA represents 65,000 domestic and North American freight railcar manufacturers and suppliers and an industry that contributes \$6.5 billion annually to the U.S. GDP.