



Written Testimony Respectfully Submitted by the Oregon International Port of Coos Bay

House Committee on Revenue

March 18, 2019

HB 2978

The Oregon International Port of Coos Bay (Port) owns and operates the Coos Bay Rail Line (CBRL), a 134-mile long short line railroad connecting industries in rural southwestern Oregon to the National Railway Network. The line is over 100 years old, and as such, requires continuous investment in routine maintenance and capital improvement. Maintaining safe and reliable freight rail service is the top priority of CBRL, and investment in its infrastructure is critical to the furtherance of that goal.

The Short Line Railroad Maintenance Tax Credit (HB 2978) will provide a critical infrastructure funding solution that will allow short line railroads to increase investments in upgrading track, bridges, and tunnels to better serve industrial customers in Oregon. The Port has utilized the similarly structured 45G Federal tax credit program on multiple occasions, providing a vital funding mechanism to increase investment.

HB 2978 will help the CBRL and other short lines in Oregon continue to make investments in infrastructure to more safely and efficiently serve customers. Investments in track infrastructure are critical to improve the safety and longevity of CBRL, as well as create and retain jobs. The businesses that ship along CBRL employ nearly 1,000 people in Coos, Douglas, and Lane Counties with family-wage jobs. These businesses depend on access to freight rail as an essential component of their business models in order to keep the cost of transportation affordable. CBRL is an essential thread in the economic fabric of the region.

I urge your support of the passage of HB 2978 to provide critical funding for short line freight railroads and the Oregon industries that rely on access to rail.

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Oregon International Port of Coos Bay
President, Coos Bay Rail Line, Inc.