

Nebraska Dept. of Transportation Grade Separation Funding Options

NEBRASKA

Good Life. Great Journey.

DEPARTMENT OF TRANSPORTATION

Framework for Railroad Funding

- Federal funds under 23 USC **§**130
 - Eligibility: The entire cost of construction of projects for the elimination of hazards of railway-highway crossings, or relocation if the cost is estimated to be less than elimination.
 - May include the separation or protection of grades at crossings, the reconstruction of existing railroad grade crossing structures, the relocation of highways to eliminate grade crossings, and projects at grade crossings to eliminate hazards posed by blocked grade crossings due to idling trains.
 - May be paid from sums apportioned in accordance with 23 USC **§**104.

Framework (continued)

- Neb. Rev. Statute **§74-1317**
 - Like most states, Nebraska established a **Grade Crossing Protection Fund**.
 - Provides for a monthly transfer of \$30,000 from the Highway Trust Fund to the Grade Crossing Protection Fund.
 - Fund provides the state's share (95%) of the cost of construction and installation of automatic crossing protection devices on all classes of roads.
 - Political Subdivisions are required to finance the balance of the cost, except in counties where a railroad transportation safety district has been formed, in which case the balance is borne entirely by the safety district involved.
 - Projects are generally funded from Federal Funds, State Funds, and political subdivisions.

Framework: What's Unique About Nebraska?

- Neb. Rev. Statutes **§74-1320**
 - Established the **Grade Separation Fund**.
 - Passed in 1979, and significantly revised in 1984 to change from a train “ton” tax to a train “mile” tax (TMT).
 - Establishes a 7.5¢ tax **per train mile**.
 - Levied on all train miles traveled in the state, plus a tax of \$100 annually on all public grade crossings in the state.
 - A “train mile” is defined as each mile traveled by a train in the state, regardless of the number of cars in the train.
 - Quarterly payments are due on the first day of the calendar quarter.

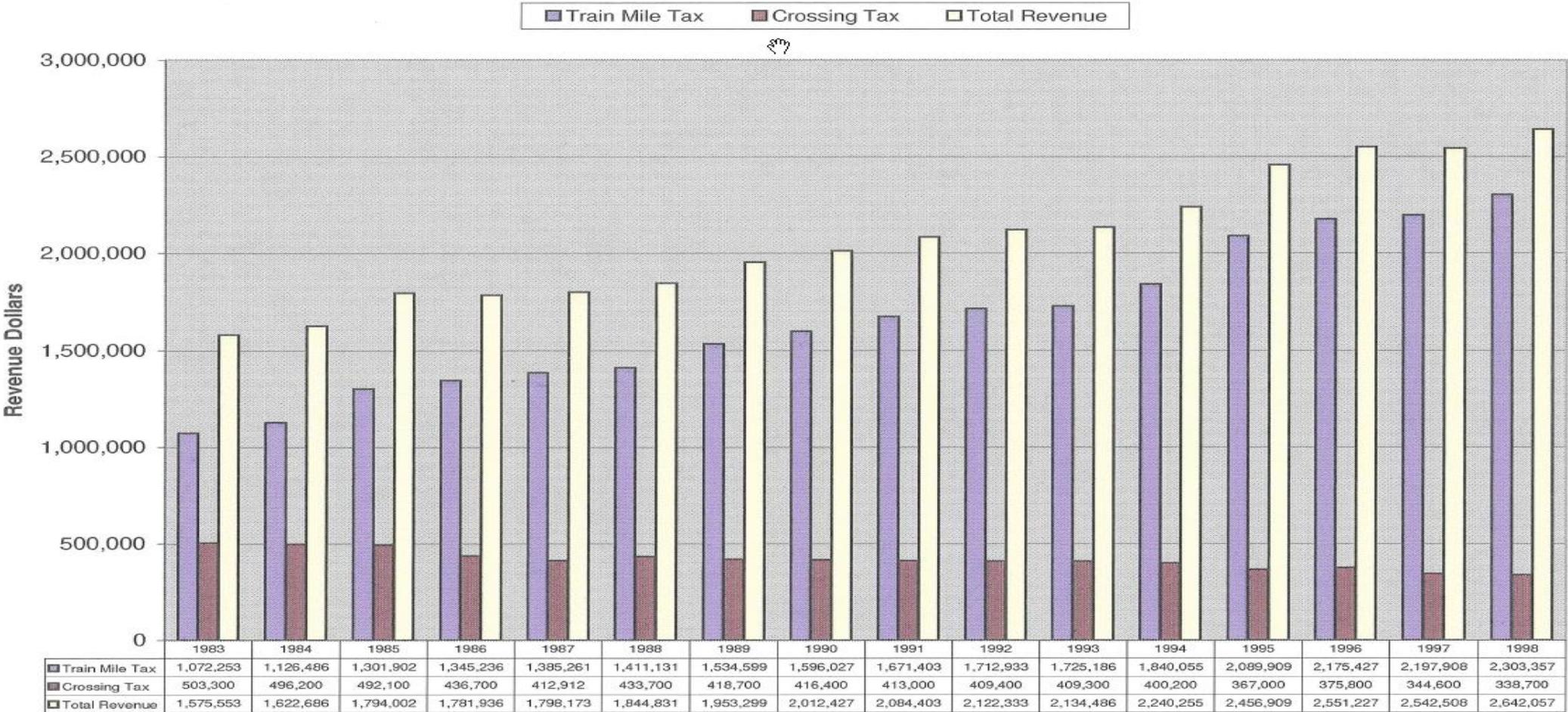
Use of Grade Separation Funds

- By statute, funds must be used for the construction, rehabilitation, relocation, or modification of **railroad grade separation facilities**.
- By NDOT Rules and Regs, Title 415, Chapter 5, 004.05, new grade separation projects require the closing of **a minimum of two public at-grade crossings**, one at or near the location of the structure, and one or more others as selected and approved by NDOT and the political subdivision (with limited exceptions)
- Managed/reviewed by the NDOT Grade Separation Committee

TMT Revenues Generated:

About \$3 million/year

History of TMT Revenues



Use of TMT Revenues

- Since 2000, utilized TMT funds to support construction of approximately 15 viaducts, at a cost of approximately \$10 million each.

Grade Separations Projects from 2000 to 2018 that include TMT Funding				
Control #	Description	Railroad	State or Local	Fiscal Year
60311	Wilson Ave, North Platte*	UP	Local	2000
41947	Elm Creek Viaduct	UP	State	2002
51082	Oshkosh NW	UP	State	2004
60813	Sutherland	UP	State	2001
60858	Brady South	UP	State	2005
21925	12th & Gibson, Omaha	BNSF	Local	2006
61132	Overton Link	UP	State	2006
61149	N61-Lake McConaughy	UP	State	2007
61044	Thedford	BNSF	State	2009
51267	N71 Scottsbluff	BNSF	State	2009
12827	So 68th in Hickman	BNSF	Local	2010
42032	Wood River	UP	State	2011
61416	Birdwood(Front St)	UP	Local	2012
61277	Hershey	UP	State	2015
31924	3rd Ave Columbus	UP	Local	2017

Why TMT Works in Nebraska

- NDOT is committed to a strong partnership with BNSF and UP
 - Share and Exchange Data
 - Consider each other's input on use of TMT funds
 - Maintain open lines of communication
- Share common needs/interests with BNSF and UP, for example:
 - Nebraska has very heavily traveled rail corridors (volume of rail travel), and the need for grade separation structures is clear to all partners/stakeholders.
 - Many Nebraska communities are bisected by railroad tracks, and NDOT/Railroads share a goal of more efficient use of crossings.
 - According to the 2017 State Highway Needs Assessment, Nebraska has an approximately \$200 million need re: on-system, at-grade railroad crossings that are expected to be eligible for grade separation projects within the next 20 years.

Why TMT Works in Nebraska



Freight Railroads in Nebraska

Rail Fast Facts

Operations	Number of freight railroads	9
	Freight railroad mileage	3,228
Employment and Earnings	Number of freight rail employees	12,010
	Average wages & benefits per freight rail employee	\$111,100

Why TMT Works in Nebraska



Freight Railroads in Nebraska

	Miles Operated In Nebraska in 2015
Class I Railroads	
BNSF Railway Company	1,485
Union Pacific Railroad Co.	1,067
	2,552
Regional Railroads	
Nebraska, Kansas, & Colorado Railway, Inc.	372
Rapid City Pierre & Eastern Railroad	13
	385
Local Railroads	
Manning Rail, Inc.	7
Nebraska Central Railroad	340
Nebraska Northwestern Railroad, Inc.	35
	382
Switching & Terminal Railroads	
Omaha, Lincoln & Beatrice Railway	2
S&L Railroad, LLC	11
	13

Nebraska Totals	Number of Freight Railroads	Miles Operated	
		Excluding Trackage Rights	Including Trackage Rights
Class I	2	2,461	2,552
Regional	2	372	385
Local	3	382	382
Switching & Terminal	2	13	13
Total	9	3,228	3,332

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