



U.S. Department of Transportation
Federal Highway Administration

STATE PROGRAMS FUND RAIL CROSSING SAFETY IMPROVEMENTS



Source: Getty Image

Indiana “on TRAX” to Reduce Rail Crossing Crashes and Fatalities

As part of Indiana’s long-term transportation funding legislation, passed in 2017, lawmakers approved the Local TRAX rail overpass program to help communities reduce rail crossing crashes and fatalities.

Overseen by the Indiana Department of Transportation (INDOT), the Local TRAX rail overpass program provides grants to cities, towns, and counties for grade separations, crossing closures, and other safety enhancements at rail-highway intersections on local roads. In addition to safety benefits, the Local TRAX rail overpass program encourages partnerships across INDOT, local communities, businesses, industry, and railroads to improve mobility and enhance quality of life for residents through rail-related transportation projects.

The program requires local governments to provide 20 percent of funding for land acquisition and construction, with the remaining 80 percent provided by the State. This funding match can be reached through any local partnership, including funding from the host railroad. INDOT will also pay 100 percent of design and inspection fees for projects awarded under this program.

To fund the Local TRAX rail overpass program, the Indiana Finance Authority will issue and distribute bonds. While the program is not a revolving grant fund, INDOT awarded more than \$121 million in State-matching funds to 12 communities in 2018 to pursue high-priority railroad grade separations, crossing closures, and other safety enhancements at railroad crossings.



Source: Getty Images

“

Local TRAX has given communities a chance to realize projects that have been stuck in neutral for years. These communities have dreamed of these projects, but in many cases could not fund and deliver them on their own. I give credit to Governor Eric Holcomb and the Indiana legislature for being aware of the challenges these railroad communities face, and having the vision to create a program that can help. I take great pride in working on an initiative that will save lives and transform so many Hoosier communities.

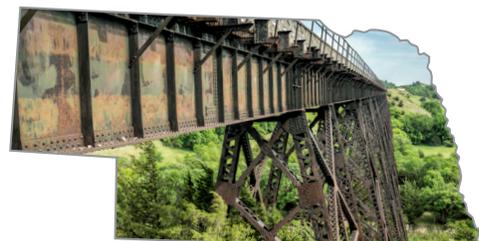
Jason Holder, INDOT Local TRAX Program Manager ”

Nebraska's Tried-and-True Approach

Originally established in 1979, Nebraska's Grade Separation fund charges a \$0.075 excise tax for each train mile operated by a railroad that transports freight in the State. Nebraska also charges a \$100 tax for each public grade crossing on the railroad's line in the State. Every year, each railroad submits to the Department of Revenue a report of the total train miles operated in the State during the previous year, as well as the number of public grade crossings on its line. A total of 10 railroad entities that haul freight are taxed under this program. On average, the program generates approximately \$3 million of revenue per year.

The Nebraska Department of Transportation (NDOT) Grade Separation Committee oversees and manages grade separation funds, which must be used for construction, rehabilitation, relocation, or modification of railroad grade separation facilities. New grade separation projects require closing a minimum of two public at-grade crossings: one at or near the location of the structure, and one or more at locations selected and approved by NDOT and the applicable local government. From 2000 to 2019, grade separation funds have helped fund construction of 15 viaducts and approximately 30 grade crossings closures.

NDOT believes the train mile tax works well in Nebraska because it helps increase the number of grade separation projects for construction, which in turn increases collaboration with railroads on transportation solutions. NDOT and the railroad companies share a common interest in hazard elimination, safety, and efficiency at crossings, and the train mile tax helps to financially achieve those goals.



Source: Getty Images

\$3M Revenue
Generated per year with Nebraska's
Grade Separation program



Sources:

Indiana Department of Transportation, "Local Trax Matching Grant" web page, accessed October 29, 2019, <https://www.in.gov/indot/2390.htm>.

Indiana Department of Transportation, "Gov. Holcomb, INDOT Award More Than \$121 million in State Matching Funds for Rail Crossing Safety Improvements Through Local Trax Grants," press release, December 13, 2018, available at <https://content.govdelivery.com/accounts/INDOT/bulletins/2224b0b>.

Travis Haberman (Railroad Liaison Manager, Nebraska Department of Transportation), email communication, October 24-25, 2019.

Nebraska Department of Transportation, Grade Separation Funding Options, 2018, available at <https://policy.transportation.org/wp-content/uploads/sites/35/2018/09/Grade-Separation-Funds-in-Nebraska.pdf>.

Photo courtesy of the Nebraska Department of Transportation