



BUDGET REVIEW SUBCOMMITTEE ON TRANSPORTATION

October 15, 2025

Short Line Infrastructure Preservation and Industrial Access and Safety Improvement Programs for Railroads

Jeremy Edgeworth, Freight, Rail & Waterways Coordinator
KYTC Division of Planning

Kentucky Short Line Infrastructure Preservation (KSLIP) Grant Program

- HB 1 (229) \$7,500,000 in each fiscal year to the Department of Highways budget unit in the Kentucky Transportation Cabinet to implement the Short Line Infrastructure Preservation Pilot Project. The Cabinet shall coordinate with and make grants to Class II and Class III railroads to preserve and enhance existing rail lines and corridors, retain existing rail-served industries, and attract new industries, and preserve and modernize Kentucky's rail system. Funds from the pilot project shall be used for the purpose of leveraging state matching dollars in partnership with participating railroads for the railroad federal grant applications, equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects. No funds shall be expended from the pilot project unless matched with non-state funds equaling at least 50 percent of the total amount for any individual project. No single project shall receive more than \$2,000,000 in grant funds from the pilot project. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026. The Kentucky Transportation Cabinet shall submit a report to the Legislative Research Commission and the Interim Joint Committee on Appropriations and Revenue by September 1, 2025, detailing the disbursement of funds in this subsection.*

Kentucky Short Line Infrastructure Preservation (KSLIP) Grant Program

- *Funds administered through the Kentucky Short Line Infrastructure Preservation (KSLIP) Grant Program.*
- *\$7,500,000 in each fiscal year.*
- *Eligible to Class II and Class III railroads.*
- *Purpose: to preserve and enhance existing rail lines and corridors, retain existing rail-served industries, and attract new industries, and preserve and modernize Kentucky's rail system.*
- *Funds from the pilot project shall be used for the purpose of leveraging state matching dollars in partnership with participating railroads for the railroad federal grant applications, equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects.*
- *Matched with non-state funds equaling at least 50 percent of the total amount for any individual project.*
- *No single project shall receive more than \$2,000,000 in grant funds from the pilot project.*

FY 2025 KSLIP Awards

\$7,500,000.00

Awardee	Project	Total Cost	KSLIP Awarded
RJ Corman/Central Line	Bluegrass Multimodal Freight Improvement Project *	\$12,301,000.00	\$1,000,000.00
TennKen Railroad	Rail Improvement Project *	\$1,000,200.00	\$500,100.00
Paducah and Louisville Railway	Elizabethtown Crosstie Rehab Project	\$2,705,400.00	\$1,352,700.00
Transkentucky Transportation Railroad	Infrastructure Rehab and Operational Improvement Project	\$1,751,096.00	\$875,548.00
Paducah and Louisville Railway	Renewal of Princeton Yard Tracks Project	\$4,196,700.00	\$2,000,000.00
RJ Corman/Memphis Line	Track Rehab Project	\$969,900.00	\$484,950.00
Transkentucky Transportation Railroad	Track Expansion Project	\$1,472,772.00	\$736,386.00
Louisville and Indiana Railroad	Network Security and Communications Project	\$1,954,572.00	\$550,316.00
	Total	\$26,351,640.00	\$7,500,000.00

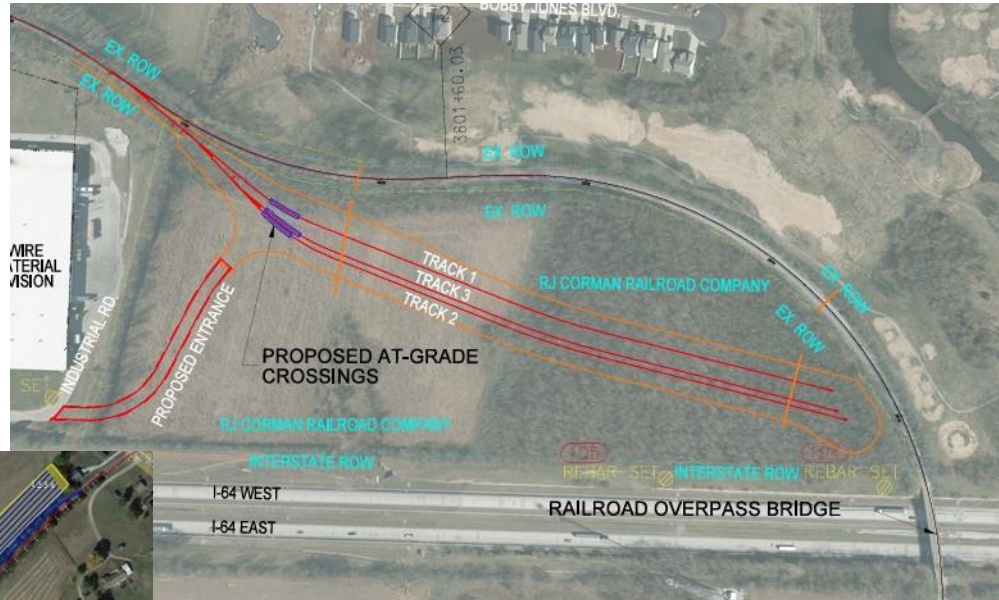
* Project is matching awarded federal grant

FY 2025 KSLIP Awards

\$7,500,000.00



current construction



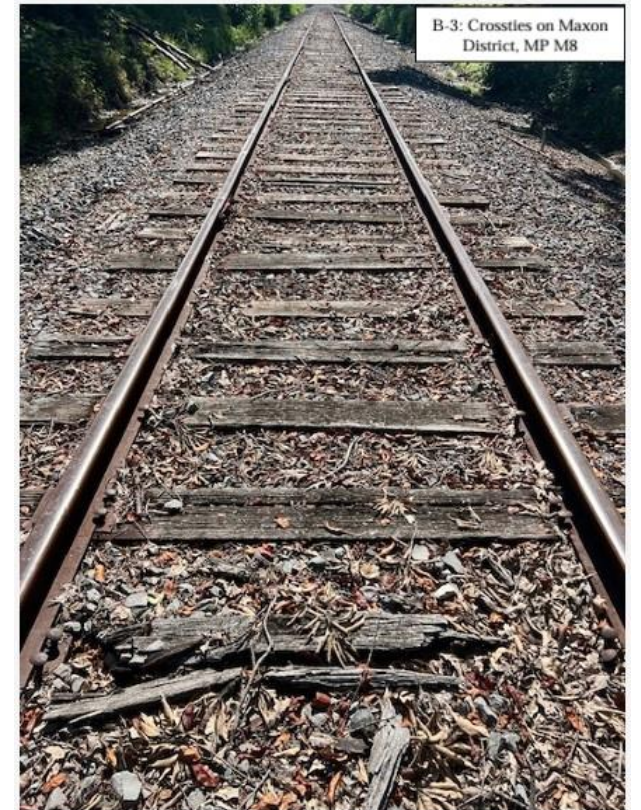
FY 2026 KSLIP Awards

\$7,500,000.00

Awardee	Project	Total Cost	KSLIP Awarded
Louisville and Indiana Railroad	Clagg Bridge Lift Span Operations Project *	\$11,640,000.00	\$1,083,184.00
RJ Corman/Memphis Line	Russellville Track Rehabilitation Project *	\$5,561,285.00	\$834,193.00
RJ Corman/Central Line	Central Line Track Rehabilitation Project	\$2,761,625.00	\$1,380,812.50
Paducah and Louisville Railway	Mayfield-Paducah Crosstie Rehabilitation Project	\$3,999,400.00	\$1,999,700.00
Paducah and Louisville Railway	Calvert City Industrial Lead Turnout Rehabilitation Project	\$3,999,600.00	\$1,999,800.00
Paducah and Louisville Railway	Continuous Welded Rail Renewal Project	\$404,621.00	\$202,310.50
	Total	\$28,366,531.00	\$7,500,000.00

* Project is matching awarded federal grant

FY 2026 KSLIP Awards
\$7,500,000.00



Kentucky Industrial Access and Safety Improvement (KIASI) Program

- *HB 1, (230) \$7,500,000 in each fiscal year to the Department of Highways budget unit in the Kentucky Transportation Cabinet to implement the Industrial Access and Safety Improvement Pilot Project. The Kentucky Transportation Cabinet, in conjunction with the Cabinet for Economic Development, shall review project proposals and the benefits provided in Kentucky. Projects must provide one or more of the following applicable economic development and safety improvement benefits: (a) Provide Kentucky communities and industries with transportation options, connectivity, and opportunities; (b) Enhance rail line corridors to increase on-time performance; and (c) Improve rail services to existing industries and encourage investment in the Commonwealth; The Kentucky Transportation Cabinet shall coordinate with and make grants to eligible freight railroads operating in the Commonwealth, as well as to any Railroad Authority, Port Authority, rail-served industries, and Industrial and Economic Development Authority Board to expand rail access, enhance the marketability of available industrial sites, increase job creation and capital investment, and increase safety. Funds from the pilot project shall be used for equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects. No funds shall be expended from the pilot project unless matched with non-state funds equaling at least 50 percent of the total amount for any individual project. No single project shall receive more than \$2,000,000 in grant funds from the pilot project. No one entity shall be eligible to receive more than 25 percent of total program funds in a fiscal year. Notwithstanding KRS 45.229, any portion of these funds that have not been expended by the end of fiscal year 2024-2025 shall not lapse and shall carry forward into fiscal year 2025-2026. The Kentucky Transportation Cabinet shall submit a report to the Legislative Research Commission and the Interim Joint Committee on Appropriations and Revenue by September 1, 2025, detailing the disbursement of funds in this subsection;\$750,000 for each public riverport authority.*

Kentucky Industrial Access and Safety Improvement (KIASI) Program

- Funds administered through Kentucky Industrial Access and Safety Improvement (KIASI) Program.
- \$7,500,000 in each fiscal year
- Projects must provide one or more of the following applicable economic development and safety improvement benefits:
 - (a) Provide Kentucky communities and industries with transportation options, connectivity, and opportunities;
 - (b) Enhance rail line corridors to increase on-time performance; and
 - (c) Improve rail services to existing industries and encourage investment in the Commonwealth;
- Eligible to freight railroads operating in the Commonwealth, as well as to any Railroad Authority, Port Authority, rail-served industries, and Industrial and Economic Development Authority Board
- Purpose: to expand rail access, enhance the marketability of available industrial sites, increase job creation and capital investment, and increase safety.
- Funds from the pilot project shall be used for equipment, construction, reconstruction, improvement, or rehabilitation of rail facilities or engineering work associated with capital projects.
- Matched with non-state funds equaling at least 50 percent of the total amount for any individual project.
- No single project shall receive more than \$1,875,000.00 in grant funds.
- No one entity shall receive more than 25 percent of total program funds in a fiscal year.

FY 2025 KIASI Awards

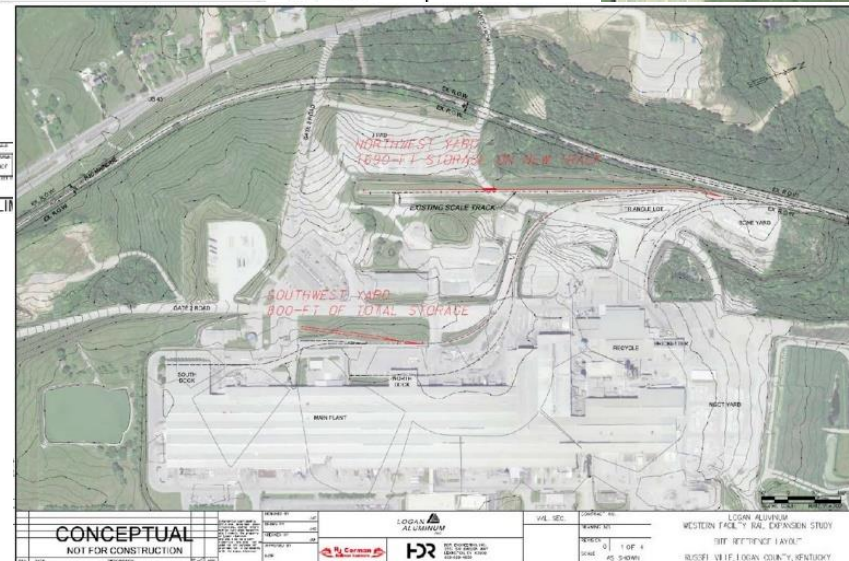
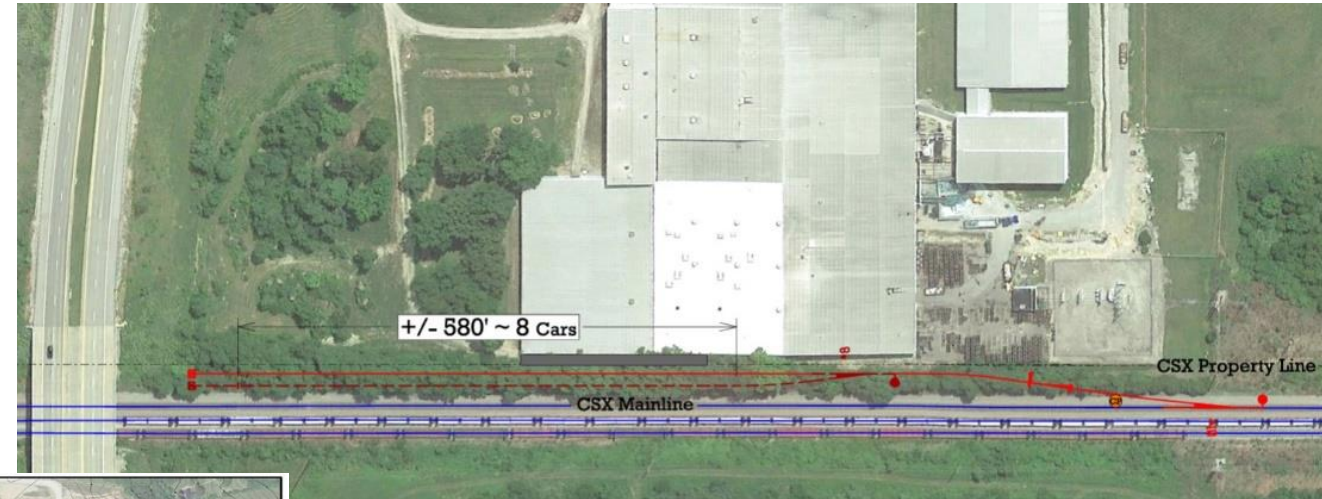
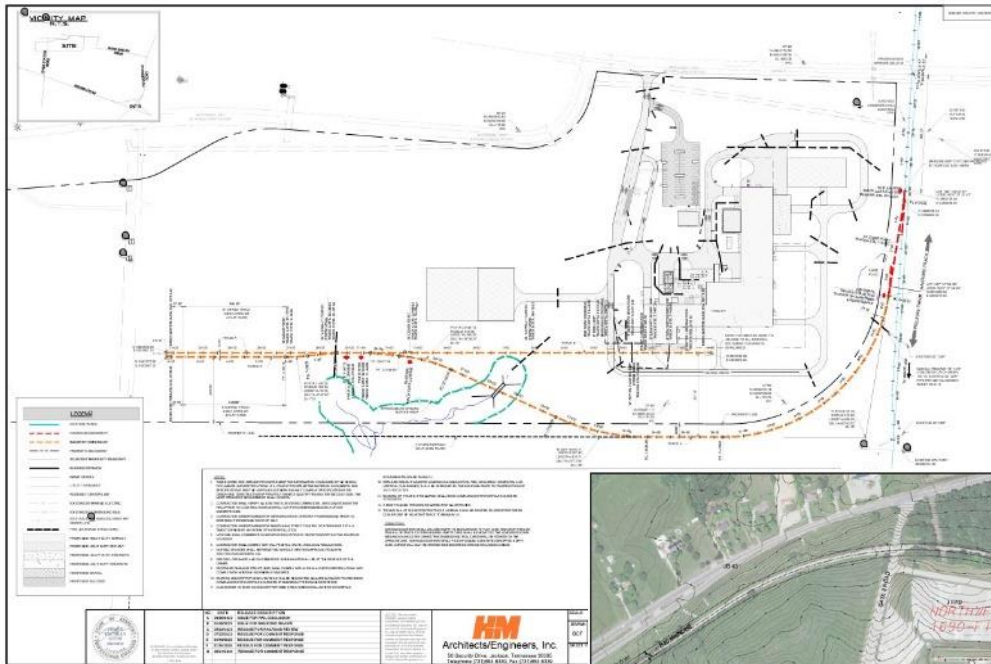
\$6,596,105.00

Awardee\$	Project	Total Cost	KIASI Awarded
Logan Aluminum	NW and SW Yard Track Extension Project	\$2,950,800.00	\$1,475,400.00
Owensboro Riverport Authority	Rail Spur Loading Facility Project	\$2,460,454.00	\$1,230,227.00
Wieland North America	Project Alta	\$4,186,921.00	\$1,875,000.00
Norfolk Southern Railway	CNO&TP Main Roadbed Stabilization	\$555,000.00	\$277,500.00
Norfolk Southern Railway	CNO&TP Industrial Lead Roadbed Stabilization	\$655,000.00	\$327,500.00
Pittsburg Glass Works	Vitro Rail Spur Berea Project	\$2,820,955.00	\$1,410,478.00
	Total	\$13,629,130.00	\$6,596,105.00

- \$903,895.00 remaining from FY 25 added to FY 26 call for projects

FY 2025 KIASI Awards

\$6,596,105.00



FY 2026 KIASI Awards

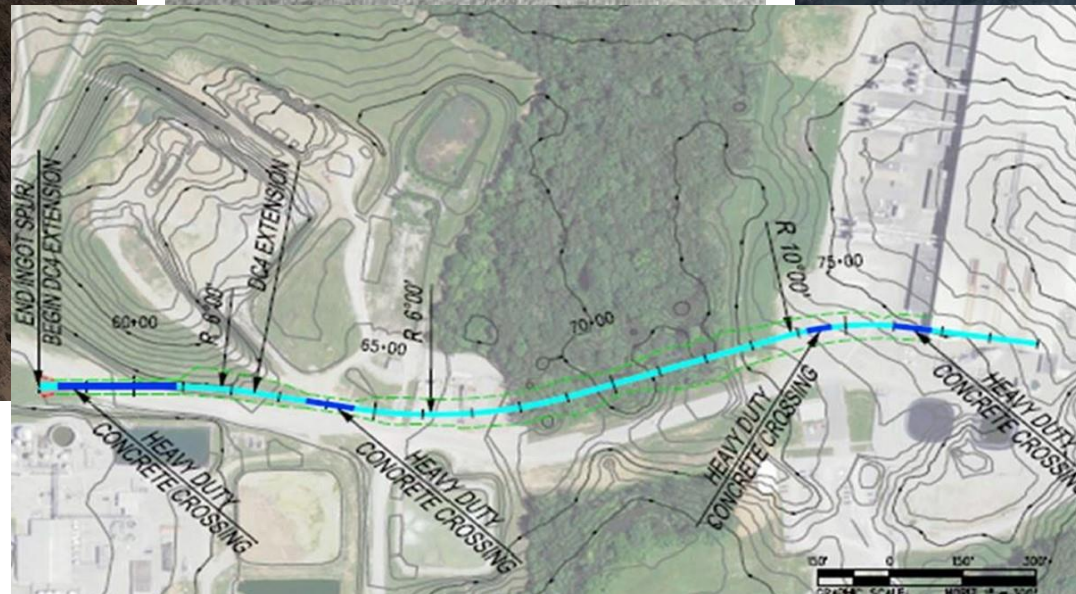
\$5,612,575.50

Awardee	Project	Total Cost	KIASI Awarded
Eddyville Riverport	Eddyville Industrial Park Rail Expansion	\$1,053,162.00	\$526,581.00
Logan Aluminum	Logan Aluminum DC4 Track Extension	\$2,434,500.00	\$1,217,250.00
Norfolk Southern Railway	CNO&TP Culverts Replacements Project	\$998,000.00	\$499,000.00
Novelis Corporation	Novelis (Berea) Rail Infrastructure and Storage Expansion	\$4,875,000.00	\$1,875,000.00
Owensboro Riverport	Rail Infrastructure for Economic Development: Railcar Mover Acquisition	\$882,489.00	\$441,244.50
Stainless Steel Midwest, LLC	Stainless Steel Midwest Railroad Project	\$2,107,000.00	\$1,053,500.00
	Total	\$12,350,151.00	\$5,612,575.50

- \$2,791,319.50 remaining from FY 26. Call for Second Round of Projects issued this morning. Applications due December 1st.

FY 2026 KIASI Awards

\$5,612,575.50



For More Information

[Kentucky Short Line Infrastructure Preservation \(KSLIP\) Program | KYTC](#)

[Kentucky Industrial Access and Safety Improvement \(KIASI\) Program | KYTC](#)

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- QUESTIONS -