

FREIGHT RAIL INVESTMENTS

Key Facts

- Freight railroads privately invest \$23B+ annually.
- Their capex investments are 6x more than the average U.S. manufacturer as a share of revenue.
- Investments expand capacity, reduce emissions and implement new technologies.

U.S. freight railroads are investing for the future by improving infrastructure, adopting advanced technology, and strengthening their workforce. These investments help railroads move goods more efficiently, improve service reliability, support economic growth, and enhance safety and sustainability across the national supply chain.

A key difference between freight rail and most other transportation modes is that freight railroads privately fund their own networks. They own, operate, maintain, and upgrade nearly 140,000 route-miles of track, along with bridges, tunnels, rail yards, and signaling systems. This privately funded network is a critical part of U.S. commerce.

HOW MUCH DO FREIGHT RAILROADS INVEST?

From 1980 through 2024, U.S. freight railroads reinvested approximately \$840 billion of their own funds in capital expenditures and maintenance. In today's dollars, that total is close to \$1.4 trillion. These investments support locomotives, freight cars, track, bridges, tunnels, and other essential rail infrastructure and equipment.

On average, the freight rail industry invests about \$23 billion each year from its own capital to maintain and improve the network. As a share of revenue, that is about six times more than the average U.S. manufacturer.

In 2023 alone, Class I freight railroads reinvested \$26.8 billion into their systems, reflecting a long-term commitment to network performance, reliability, and modernization.

WHY DO FREIGHT RAIL INVESTMENTS MATTER?

Private freight rail investment creates benefits across the economy, supply chain, and environment.

- **For businesses**, it supports more reliable and cost-effective freight transportation.
- **For communities**, it helps reduce highway congestion and lower transportation-related emissions.
- **For the economy**, it strengthens supply chain resilience and supports long-term growth through efficient goods movement.
- **For the environment**, it advances cleaner transportation through fuel efficiency, lower emissions, and more sustainable operations.

HOW DO FREIGHT RAILROADS MAKE INVESTMENTS?

Freight railroads use data and long-term planning to target investments where they will have the greatest impact. They aim to:

- **Improve safety** through employee training, track monitoring systems, and real-time diagnostic technologies.
- **Increase capacity and reliability** to meet demand and reduce network congestion.
- **Modernize infrastructure** including bridges, tunnels, yards, and other facilities to improve speed and reduce delays.
- **Support sustainability** with lower-emission locomotives, fuel-saving technologies, and climate-resilient infrastructure.

Freight railroads continue to invest their own capital to keep America's freight network strong, efficient, and ready for future demand. By funding infrastructure, technology, and workforce development without taxpayer support, freight rail helps power U.S. commerce while delivering benefits for shippers, communities, and the broader economy.