<u>Letter to U.S. Senate Committee on Commerce, Science, and Transportation</u>

Leadership office Addresses

Dear Chair Cruz and Ranking Member Cantwell:

Letter to U.S. House Committee on Transportation and Infrastructure

Leadership Office Addresses

Dear Chair Graves, Ranking Member Larsen, Chair Webster, and Ranking Member Titus:

As Congress pursues legislation investing in infrastructure, fostering continued economic development, and facilitating a more resilient transportation network, freight railroads are a key part of the solution. Every ton of freight moved by rail strengthens the economy, supports jobs, and saves taxpayers money.

Freight railroads invest private capital into maintaining and upgrading their infrastructure and technology across 135,000 track miles nationwide while other modes require taxpayer assistance. Freight railroads have spent more than \$830 billion on locomotives, freight cars, tracks, bridges, tunnels, and other equipment and technology since 1980. This equates to 39 cents of every dollar earned.

Private investment correlates directly with safety. The rail employee injury rate in 2023 was at an all-time low, and the train accident and hazmat accident rates are down 30% and 75%, respectively, since 2000.

Moreover, because a train can carry the load of several hundred trucks, railroads ease burdens on the nation's highways and bridges while also reducing congestion and emitting 75% fewer greenhouse gas emissions per ton-mile. As the greenest way to move freight over land, railroads account for approximately 40% of U.S. intercity freight while emitting less than 2% of transportation-related emissions.

In short, freight railroads are essential to the nation with freight demand expected to rise 50% by 2050. As such, the undersigned individuals and organizations believe any infrastructure package must enable continued, robust private-sector investment in freight rail.

When considering infrastructure legislation, Congress should include the following policies:

- Prioritize Safety and Performance Through Innovation. Congress should ensure any measure
 dealing with railroad operations addresses a specific need and is supported by sound data. New
 measures for future implementation by USDOT should be performance-based and avoid
 prescriptive operational requirements. Outdated rules and practices limit innovation and
 competitiveness, standing in direct conflict with the stated goals of new leaders in Washington.
- Improve Safety Partnership Opportunities. Increasing funding for highway-rail grade crossing projects including through the Section 130 program and the Grade Crossing Elimination program and discretionary grant programs would enable the public sector to improve highway safety along railroad crossings. Other programs such as INFRA, MEGA, and CRISI, are also important for successful PPPs. Moneys aimed towards the freight rail sector should enable government to partner with freight railroads to advance projects of mutual interest. Congress should increase funding for these activities.

- Restore the Highway Trust Fund and Modal Equity. Railroads both compete with trucking companies over freight and count them among their biggest customers. Highway congestion and deficient infrastructure hurt the supply chain. Less efficient modes of transportation receive federal subsidies in the form of artificially low fuel taxes as well as incentives to automate their operations to improve network fluidity and safety. To ensure a robust and solvent Highway Trust Fund (HTF), Congress should base HTF funding on a "user pays" principle. When general fund monies are used to pay for roads and bridges, and when heavy trucks are allowed to operate without paying the full cost of their impact, highways are incentivized for freight movement. Over time, Congress should implement a system to ensure commercial vehicles pay their full infrastructure cost, including through a mileage structure that incorporates vehicle weight.
- Reject Economic Re-Regulation. Balanced economic regulation that favors market principles has allowed freight railroads to continue record investment in the rail network. Congress should avoid changes to the U.S. Surface Transportation Board as part of any infrastructure bill, particularly if it included measures that would threaten rail investment and undermine the ability of railroads to help the nation meet other policy goals.
- Support Competitive Grant Programs. Lawmakers should pursue funding for grant programs that enable the public sector, including state and local governments, to partner with freight and passenger railroads and other modes to improve the overall fluidity of the supply chain.

Thank you for your leadership and for your continued attention to the role freight railroads play in supporting robust and sustainable economies in communities across America.

Sincerely,	
CC: Members of the U.S. House Committee on Members of the U.S. Senate Committee on	•
_	nization on this group letter, which will be delivered to the tructure and Senate Committee on Commerce, Science, f an infrastructure bill.
Name	Title
Organization	

Date

Signature