

**ON THE RIGHT TRACK: MODERNIZING
AMERICA'S RAIL NETWORK**

HEARING

BEFORE THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION,
FREIGHT, PIPELINES, AND SAFETY

OF THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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JUNE 18, 2025
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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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CONTENTS

	Page
Hearing held on June 18, 2025	1
Statement of Senator Todd	1
Statement of Senator Peters	3
Letter dated June 17, 2025 to Hon. Gary Peters and Hon. Todd Young from Robert A. McCraight, Mayor, City of Romulus	5
Statement of Senator Cantwell	7
Statement of Senator Cruz	53
Statement of Senator Moreno	57
Statement of Senator Luján	60
Statement of Senator Kim	62
Statement of Senator Markey	66
WITNESSES	
Ian Jefferies, President and Chief Executive Officer, Association of American Railroads	10
Prepared statement	11
Peter Gilbertson, President and Chief Executive Officer, Anacostia Rail Hold- ings Company; and Mmber, American Short Line and Regional Railroad Association	18
Prepared statement	20
Husein A. Cumber, Senior Advisor, Brightline Holdings, LLC	33
Prepared statement	35
Clarence E. Anthony, CEO and Executive Director, National League of Cities, and former Mayor of South Bay, Florida	40
Prepared statement	41
APPENDIX	
Anne C. Reinke, President and CEO, Intermodal Association of North Amer- ica (IANA), prepared statement	69
Letter dated August 6, 2024 to Members of Congress from various organiza- tions regarding regulation and deregulation	71
Letter Re: Manistee County Safer Southern Rail Route from Lisa Sagala, Manistee County, Michigan, Controller/Administrator	74
Letter dated June 17, 2025 to Senator Gary Peters from Justin Horvath, President/CEO, Shiawassee Economic Development Partnership	75
Letter dated June 24, 2025 to Hon. Todd Young and Hon. Gary Peters from Michael E. Duggan, Mayor, City of Detroit	77
Letter dated June 24, 2025 to Hon. Gary Peters from Amy O’Leary, CAE, Executive Director, Southeast Michigan Council of Governments	80
Letter dated June 25, 2025 to Hon. Gary Peters from Peter Anastor, Director, Office of Rail, State of Michigan, Department of Transportation	83
Response to written questions submitted to Ian Jefferies by:	
Hon. Ted Cruz	85
Hon. Todd Young	85
Hon. Amy Klobuchar	85
Hon. Gary Peters	86
Hon. Tammy Duckworth	88
Response to written questions submitted to Peter Gilbertson by:	
Hon. Todd Young	88
Hon. Amy Klobuchar	89
Hon. Gary Peters	91

IV

	Page
Response to written questions submitted to Husein A. Cumber by:	
Hon. Todd Young	94
Hon. Gary Peters	94
Hon. Tammy Duckworth	96

ON THE RIGHT TRACK: MODERNIZING AMERICA'S RAIL NETWORK

WEDNESDAY, JUNE 18, 2025

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION,
SUBCOMMITTEE ON SURFACE TRANSPORTATION, FREIGHT,
PIPELINES, AND SAFETY,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:04 a.m., in room SR-253, Russell Senate Office Building, Hon. Todd Young [presiding], Chairman of the Subcommittee, presiding.

Present: Senators Young [presiding], Cruz, Moreno, Peters, Cantwell, Markey, Luján, and Kim.

OPENING STATEMENT OF HON. TODD YOUNG, U.S. SENATOR FROM INDIANA

Senator YOUNG. This meeting of the Subcommittee on Service Transportation, Freight, Pipelines, and Safety will come to order. Good morning, and welcome to this hearing where we will discuss an issue of national importance, the safety, innovation, and future of America's railways.

As Congress looks toward the next Service Transportation Reauthorization, this hearing is a timely opportunity to examine the current state of our freight and passenger rail networks. Our rail networks are important to both our economy and to our national security as they move energy, goods, and people across the country.

So I am excited today to consider policy and regulatory reforms that support a modern national rail policy, specifically ways to modernize our rail ecosystem with a focus on improving safety, boosting efficiency, fostering innovation, and ensuring this ecosystem can meet the demands of the present and the future.

I would like to thank our witnesses for being here today and extend a special thanks to Mr. Gilbertson of Anacostia Rail Holdings Company for representing the state of Indiana through the Chicago South Shore and South Bend Railroad, and the Louisville and Indiana Railroad.

As I mentioned, rail is the backbone of our transportation system and our economy. It connects communities, moves freight efficiently, and supports thousands of jobs. From small towns to major cities, rail keeps America moving.

Our freight rail ecosystem is certainly among the most efficient in the world, but is not averse to an aging infrastructure and grow-

ing demand. So we should be pragmatic and examine how to make improvements.

To meet the hands of the future, we must invest in adequate infrastructure, understand where bottlenecking hurts our supply chains and delays the transport of goods and consumers, and support the skilled workforce that powers our railroads. We must also examine how advancements in technology can address challenges we currently see. Technology is already making a difference.

Systems like Positive Train Control, or PTC, are designed to prevent train to train collisions, over speed derailment, incursions into established work zones, and movements of trains through switches left in the wrong position.

And now, new tools like AI powered track monitoring, automated inspections, and predictive maintenance offer even greater potential to prevent issues before becoming problems.

Take, for example, inspection portals, which use high resolution machine vision and AI to complement manual detection work to understand where defects may exist. This technology is a prime example of how AI can help our workforce maintain rail cars with greater efficiency and potentially increase safety, while at the same time reducing constraints in delivery or service time.

These advancements can increase reliability, reduce delays, save money, and increase safety for railroad workers and the public. Whether in freight or passenger rail, real-time data and proactive maintenance are keys to a resilient network. But innovation cannot flourish if outdated or duplicative regulations get in the way.

Many existing rules are prohibitive to testing or deploying technology or can slow down safety upgrades and infrastructure improvements. A more agile, modern regulatory framework will help the rail industry innovate and adopt new technologies faster without compromising safety.

At the same time, we can't lose sight of the needs of hard infrastructure. Replacing aging tracks, modernizing bridges, upgrading rail signal systems, and improving rail yards are foundational to both safety and economic competitiveness. These investments help goods move faster, more reliably, and at lower costs. Every year, rail crossings see devastating and oftentimes preventable accidents.

Smarter warning systems, better barriers, and vehicle infrastructure communication can reduce risks and save lives. So, as we have this conversation, safety must remain our top priority. All of this is made possible by our rail workforce. Investing in training, modern safety protocols, and new technology ensures workers are prepared for the demands of a modern system.

Their expertise is essential to safety and performance. Our approach must be all-encompassing to embrace new technologies, invest in critical infrastructure, empower the workforce, and modernize regulations, and we must work to encourage public-private partnerships to accomplish these goals.

With more than 4,500 miles of freight and passenger rail, my state of Indiana plays a central role in national logistics. Projects like the South Shore Line and West Lake Corridor show how public-private partnerships can deliver big results, enhancing safety and regional connectivity.

So the witnesses on today's panel are well suited to discuss each of these critical issues, and I look forward to a thoughtful conversation to help jumpstart our work to reauthorize service transportation programs.

Thank you again for being here, and I now recognize my good friend and partner on this subcommittee, Ranking Member Peters, for his opening remarks.

**STATEMENT OF HON. GARY PETERS,
U.S. SENATOR FROM MICHIGAN**

Senator PETERS. Well, thank you. Thank you, Mr. Chairman, for that. And welcome to our four witnesses here to—before us today. We look forward to your testimony on how Congress can build on some previous investments that we made to strengthen our railroad system to ensure that we can safely and efficiently transport both goods and people.

Americans rely on the U.S. rail network to safely move roughly 28 million passengers and 1.6 billion tons of goods each and every year. And no state better exemplifies the reality of and the opportunities for passenger and freight rail than my home state of Michigan.

Michigan is home to roughly 3,900 miles of track, including more than 600 miles of State-owned rail lines managed by the Michigan Department of Transportation, as well as 29 private freight rail operators and companies. Michigan is also home to three Amtrak lines that operate throughout our state.

And as home of the auto industry and the heart of American manufacturing, Michigan's freight rail network delivers cars, agricultural products, construction materials, and everyday goods all over our state, as well as across international borders. Michigan is also leading the way when it comes to passenger rail.

The Michigan Department of Transportation has effectively taken advantage of resources that Congress provided to improve passenger rail service. This includes efforts to restore Amtrak service to the historic Michigan Central Station in downtown Detroit, and to expand that service across the Canadian border into Windsor in the coming years, a project that I am going to continue to fight for.

Continued investment in passenger rail infrastructure and capacity is absolutely essential to realizing this vision and to improving the growing services across our national network. It must be a key priority for Congress and in the next Surface Transportation Reauthorization bill.

But let's be clear, Michigan's rail infrastructure progress is largely thanks to the investments we made in the bipartisan infrastructure law. The bipartisan infrastructure law invested a historic \$102 billion for rail infrastructure, including funding for the Federal-State partnership for Passenger Rail Grant Program and the Corridor ID Program, as well as the creation of critical new programs like the Railroad Crossing Elimination Grant Program.

This funding has specifically allowed Michigan to conduct the analysis and the planning that they need to support future expansion of passenger rail on all three of our Amtrak lines, Wolverine, the Blue Water, and the Pierre Marquette.

The Railroad Crossing Elimination Grant Program we created is also improving safety and efficiency across Michigan communities. It is helping the City of Monroe improve response times for emergency response, as well as ease traffic congestion. It is funding the elimination of a dangerous rail crossing in Trenton, Michigan.

It is consolidating three railroad crossings at a key intersection on Lonyo and Central Street in Detroit to improve safety, mobility, and freight transportation throughout the region. And it is giving Manistee and Kalamazoo the runway they need to plan for the removal of harmful crossings that are causing issues for their residents.

Michigan is certainly not alone. Communities across the country have benefited from increased resources to strengthen their rail infrastructure, but this work is far from over. Programs like Corridor ID and Railroad Crossing Elimination Grants can only reach their full potential if we follow up with continued investment to ensure projects that are already underway are not abandoned midway.

I look forward to hearing from our witnesses today about the impact this investment is having on the ground and the importance of maintaining these programs for the rail network. And finally, we know that a fundamental part of strengthening our rail system is taking necessary steps to make it safer. We have seen that when railroad safety is compromised, entire communities suffer.

We all witnessed that with the East Palestine train derailment in 2023, but there are many more close calls that don't make the news, and our communities are calling for action to prevent tragedy from impacting their residents.

One such case is in Romulus, a city in Southeast Michigan that has seen multiple train derailments over the past 5 years. We received testimony for the record from Romulus Mayor Robert McCraight, and I would like to enter that into the record, without objection, Mr. Chairman.

Senator YOUNG. Without objection.

[The information referred to follows:]

City of Romulus

Robert A. McCraight
Mayor

ADMINISTRATIVE and LEGISLATIVE OFFICES
11111 Wayne Road · Romulus, Michigan 48174-1485
www.romulusgov.com

ELLEN L. CRAIG-BRAGG
Clerk

STACY A. PAIGE
Treasurer

June 17, 2025

The Honorable Gary Peters, Chair
The Honorable Todd Young, Ranking Member
Subcommittee on Surface Transportation, Maritime, Freight, and Ports
U.S. Senate Committee on Commerce, Science, and Transportation
Washington, D.C. 20510

RE: Hearing on Examining the Roadway Safety Crisis Highlighting Community Solutions

Dear Chair Peters and Ranking Member Young,

Thank you all for addressing issues surrounding transportation, more specifically the issues involved around railway transportation. Romulus is home to more than 25,000 residents. However, being home to one of the largest international airports in the country (DTW), makes us far more impactful to southeastern Michigan than just the number of residents housed here. DTW has 25,000 badged employees alone, not including any support industries immediately surrounding the airport. Recent data shows the airport sees almost 28,000,000 travelers annually! In addition to housing DTW, we provide access to two major expressways in I-94 and I-275. Not to mention both CSX and Norfolk Southern heavy rail transportation companies. Romulus is a major transportation hub in southeastern Michigan, making transportation regulation and safety of extreme importance to us.

There are three principal concerns involving rail safety in Romulus, the first being the obvious oversight of safety regulations and increased funding for inspections, maintenance, and repair as well as increased technology used for equipment monitoring. During my first two years as mayor for the City of Romulus, we were unfortunate enough to suffer three train derailments! Two of which involved hazardous materials. Fortunately, there were no injuries; however, since one occurred near multiple schools and the fact that the employees on the trail could not clearly identify the substance that had spilled onto the ground, we were forced to evacuate both schools! The explanation provided to me from rail employees surrounding all of the incidents were for "defective equipment". Given the state of modern technology and monitoring devices available that would help prevent such occurrences...that is completely unacceptable.

The second issue we have is adequate response times for our first responders to our residents during their time of need. The rail systems in Romulus dissect our city into four quadrants. If a train is blocking a road, you can see the obvious issues for our firefighters and police officers. We have had several instances where railcars blocking roads for excessive periods of time when every minute could mean the difference in life and death. We have worked through advance notification through cameras to help first responders to re-route, if possible, but this is not the best solution as crucial minutes are still lost. The best solution for this issue is continued investments in grade separations that will allow emergency vehicles to be able to use the most direct route and not be slowed by

	KATHY ABDO Councilwoman	JOHN BARDEN Mayor Pro Tem	HARRY CROUT Councilman	
DAVID S. JONES Councilman		CELESTE ROSCOE Councilwoman	TINA M. TALLEY Councilwoman	WILLIAM WADSWORTH Councilman

City of Romulus

rail traffic. Currently the City of Romulus is working in conjunction with our neighboring community, Huron Township. Together we have submitted for funding towards a grade separation to be installed on Pennsylvania road, which borders both of our communities. The combined efforts of Romulus, Huron and Aerotropolis have been supported by Congresswoman Debbie Dingell, Senator Camilleri, as well as Southeastern Michigan Council of Governments (SEMCOG).

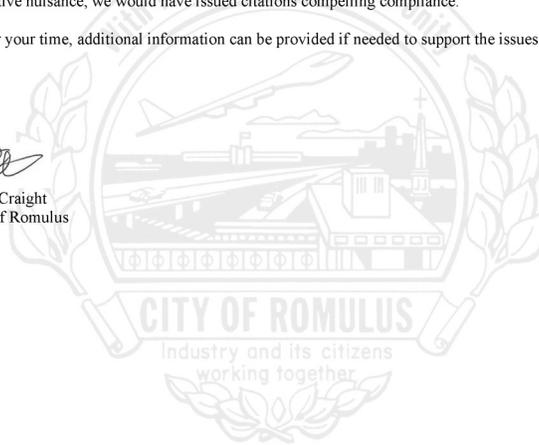
The third issue is the apparent disregard for any public safety of instances regarding public nuisances. Currently there are several locations where materials for rail repair and maintenance are simply left in the road right of way creating a public nuisance, blight and an issue for public safety. Piles of railway ties and aggregate needed to maintain the rails have been left in our community for years. If this were a private property owner who created such an attractive nuisance, we would have issued citations compelling compliance.

Thank you for your time, additional information can be provided if needed to support the issues surrounding rail safety.

Sincerely,



Robert A. McCraight
Mayor, City of Romulus



Senator PETERS. The testimony sheds light on his community's firsthand experience with derailments, where a first responder safety was put in jeopardy because they were not properly informed of hazmat cargo in the derailed cars. He is calling for Congressional action.

And that is why last Congress I supported the Railway Safety Act, which addressed key concerns like first responder communication and preparation, wayside detection improvements, inspection standards, and two crew requirements, and much more. Last Congress, we also laid groundwork for bipartisan action to address concerns that emerged from East Palestine crash.

And it is my hope that this committee will be able to act in the same bipartisan manner once again. I would like to take a moment to thank the Shiawassee Economic Development Partnership, the County of Manistee, and the other Michigan stakeholders reaching out to my office to share their perspective on the needs for their rail system.

And I look forward to hearing from each and every one of you here today on how we can take steps to build on the bipartisan infrastructure law and ensure the safety of our national rail network. Thank you, Mr. Chairman.

Senator YOUNG. I know our Full Committee Chairman, Senator Cruz, wants to make every effort to be here. I believe he will be here later. But in the meanwhile, I will recognize Ranking Member Cantwell for an opening statement.

**STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL. Thank you, Chairman Young. And thank you to you and Senator Peters for having this important hearing today, and to our witnesses. I am glad that we are having such an important hearing at such an important time.

In my state, rail is critical. 1.3 million people and over 100 million tons of freight, over \$30 billion travel by rail in Washington State every year. So as Congress begins to consider a Surface Transportation Reauthorization, we need to do three things. Increase rail investment, including rail crossing investment to move products quickly and safely.

I like in your testimony, Mr. Anthony, how you say that safety starts with the Commerce Committee. I think your subhead is, rail safety starts and ends with the Commerce committee. Thank you for that. That is very important.

And also, you had a subhead, rail safety impacts small cities disproportionately in clear trend lines of hazardous incidents. So again, shows you what is at stake when it comes to safety. Our poor, smaller towns just don't have the ability to respond, and East Palestine showed that. Strengthening safety requirements to prevent derailments, which have more than doubled in the State of Washington in the last decade.

We have obviously had increase in traffic, but we have also had increase in derailment. And continue robust funding for passenger rail programs and Amtrak. I do like, Mr. Gilbert, in your testimony calling out the shortfall system. Obviously we need to continue to

have improvements. These are the backbones of moving a lot of product, a lot of agriculture product to get to ports as well.

So, ports in the State of Washington export over \$19 billion worth of agricultural products every year, \$19 billion. Of this, \$11 billion worth of those products such as soy, bean, wheat, corn come from other states. So, we are basically doing the work of getting this Midwest product to international destinations.

That includes delivering product from Minnesota, Iowa, Nebraska, North Dakota, South Dakota, Kansas, and Missouri, and I have got to believe Indiana, although it is not on here. But I have got to believe, Mr. Chairman, that there is something that we deliver.

Due to our rail network, farmers in the Midwest and Ohio River Valley markets can get their products to Washington ports, onto the international markets in just three to five days. That is why we want to make sure that we don't see the congestion or the canceling. Thanks to the bipartisan infrastructure law, we made critical investments in the supply chain.

We increased rail capacity at the Port of Kalama, one of the largest grain exporters on the West Coast, which will increase efficiency by 20 percent to 30 percent. And we are rehabilitating the Washington State Grain Train, which carries 20 percent to 25 percent of Washington's wheat each year, allowing the line to move heavier cars at twice the speed.

And the next bill must increase the investment in freight if we are going to keep U.S. products moving. Just this past week, we had a tragic reminder though about why rail safety is so important. In my hometown of Edmonds, Washington, a person was killed on the tracks, and I offer my condolences to the family and loved ones of that individual.

As a result of this tragedy, the freight train stopped on the tracks for 2 hours, and you might think, well, what is that? Necessarily, for sure. But it just happened to also block the Edmonds ferry.

So our crossing right there then stopped the ferry, a big part of our highway marine system, from delivering passengers unable to disembark for throwing off the ferry schedule. In fact, earlier this week, the *Seattle Times* ran a photo of ferry passengers climbing across the stopped train to get to the docks. So, it just shows you the complexity of the interface of at-grade crossings. This is so incredibly dangerous.

And the people were just trying to get to dock or just enjoy the waterfront, not realizing how perilous this really was. That is why I created the \$3 billion Railroad Crossing Elimination Program in the bipartisan infrastructure law, along with my colleague, Senator Blunt, to try to address these at-grade crossings and allow cities to not be as managed from a top-down DOT process but have this come from the bottom-up so communities could try to help themselves.

I think the program has definitely been oversubscribed. The need for funding is great. Since 2021, FRA has received \$4.5 billion in eligible applications for the Grade Crossing Elimination Program. Nearly three times the funding that has been made available so far. So as we discuss the next Surface Transportation Authoriza-

tion, ensuring this program is fully funded I think should be a priority.

We must also do more to prevent trains carrying hazardous materials from derailing in our communities. And this is critically important to the state of Washington where we—where 1.6 billion gallons of crude oil are transported by rail through our communities and across the state.

In February, I wrote to Chairman Cruz on the second anniversary of East Palestine derailment, urging him to advance legislation to ensure that we have learned the lessons from this tragedy. The Rail Safety Act, which was authored by now Vice President Vance, and passed out of the Committee last Congress with bipartisan support, included important provisions that could have prevented the tragic disaster in East Palestine and will improve the safety of crude oil trains in the state of Washington.

I think this should be part of the Surface Transportation Reauthorization. And finally, when it comes to Amtrak and the I-5 corridor, this service is critical to helping what we believe will be 750,000 fans visiting Seattle to move around the region at the 2026 FIFA World Cup. So, this issue is critically important. And thanks to Federal investment in passenger rail at Amtrak Cascades, we will get new passenger rail cars next year to improve the reliability of that experience.

The next bill must also ensure Amtrak and states receive predictable funding so we can have the long term capital investments in passenger rail. So, I look forward to working with both of you, and with Chairman Cruz, in how Congress can support rail, freight, and passenger, and ensure safety in our cities and towns. Thank you, Mr. Chairman.

Senator YOUNG. Well, thank you, Senator Cantwell. As the proud co-chair of the Senate Soccer Caucus, I have yet another value proposition to ensure rail safety here today. As if I didn't need more, because this is such an important hearing. So, Senator Cruz will be with us for questions.

The show will go on. I would like to introduce our witnesses for today. Each of them brings deep knowledge and firsthand experience from the freight and passenger rail industries. Our first witness is Mr. Ian Jefferies, President and CEO of the Association of American Railroads. He brings over a decade of experience in transportation policy, including roles at Federal agencies and the Senate Commerce Committee.

Our second witness is Mr. Peter Gilbertson, President and CEO of the Anacostia Rail Holdings Company, a holding company for short-line railroads, several of which are in the great state of Indiana. He is here on behalf of the American Short Line and Regional Railroad Association.

Our third witness today is Mr. Husein Cumber, Senior Advisor of Brightline Holdings, where he supports the development of high-speed and inner-city passenger rail projects. Mr. Cumber brings years of experience in rail infrastructure, having held leadership roles in both the public and private sectors.

Our final witness is Mr. Clarence Anthony. Mr. Anthony is the CEO and Executive Director of the National League of Cities, which represents and advocates for local governments at this Fed-

eral level. I will recognize Mr. Jefferies to deliver your opening statement. Mr. Jefferies, you are recognized for 5 minutes.

**STATEMENT OF IAN JEFFERIES, PRESIDENT
AND CHIEF EXECUTIVE OFFICER,
ASSOCIATION OF AMERICAN RAILROADS**

Mr. JEFFERIES. Chairman Young, Ranking Member Peters, members of the Committee, thank you for the opportunity to testify today on modernizing the rail network.

I am President and CEO of the Association of American Railroads, where we represent the Nation's major freight railroads. And I am honored to discuss the vital role our industry plays and policies that will drive progress. Freight rail is a cornerstone of the U.S. economy.

Safe, efficient, and robustly funded, railways build, maintain, and invest in their own network to the tune of nearly \$25 billion in annual investment. This level of self-sufficiency is unmatched in the transportation sector and ensures that railroads remain a reliable backbone in the supply chain. It also tracks one to one with safety.

Railroads today lead major industries in worker safety—safer than trucking, airlines, manufacturing, construction, and agriculture, just to name a few. And while the last decade has been the safest in our entire history with significant declines in train accidents and employee injuries, further progress is a necessity. Economically, freight rail supports nearly every single industry.

Moving more than 1.6 billion tons of goods each year, that is 40 percent of long-haul freight. From agricultural products to automobiles, chemicals to consumer goods, railroads connect communities and businesses across the country and beyond. Railroads' efficiency saves businesses billions annually and enhances U.S. global competitiveness.

With real rates falling 42 percent over the last four decades, we are an ally in the fight against inflation. As this committee begins to consider the next Surface Reauthorization Bill, we encourage Congress to prioritize policies to uphold our ability to invest in infrastructure, support innovation, and advance data driven safety improvements. Reauthorization is a key moment to modernize our safety framework.

Various forms of inspection technology enable more frequent, precise monitoring that improves safety and efficiency across the network. Yet this industry is often still beholden to regulations published in the 1970s or even earlier. Congress has a great opportunity to embrace performance-based regulations that reward outcomes, not outdated processes.

Technology is also redefining how rail integrates with global logistics. Real-time GPS, AI-driven scheduling, predictive analytics to increase customer visibility, reduce congestion, and improve service. But regulators must catch up. Outcome focused policy and streamlined waiver and pilot processes would help rail deliver a safe, efficient system that businesses and communities rely on.

Additionally, programs such as the Railroad Crossing Elimination Grant Program are crucial to improve grade crossing safety and reducing community impacts. Multimodal programs like Infra

and Mega are also improving freight flows throughout the country, not to mention rail specific programs like CRISI, which I know my colleague will get into more details on.

And while robust funding is key, timely execution of dollars is just as important. Streamlining grant application, review, and award processes, paired with common sense permitting reforms, are critical in this reauthorization. And more broadly, Congress must address the insolvency of the highway trust fund. Estimates show that without legislative action, the trust fund will face insolvency by 2028, accumulating a \$280 billion deficit by 2034. Clearly, the current gas tax model is insufficient and not sustainable, and such heavy subsidy requirements blow the competitive framework out of whack with our primary competitor.

Modernizing to an equitable weight and, or distance-based user fee system or other models are sensible paths to consider for the future. And let's remember that lawmakers initiated this shift in the last transportation bill, but implementation at the DOT is stalled.

Further, Congress must also reject calls to increase truck size and weight limits, which would only exacerbate funding gaps, degrade roads, and further increase congestion on our already clogged highways. Again, it is about the level of the playing field when it comes to competition.

Working together, though, these policies will help railroads drive the economy forward, support safety, service, and innovation. Thank you, and I look forward to your questions today.

[The prepared statement of Mr. Jefferies follows:]

PREPARED STATEMENT OF IAN JEFFERIES, PRESIDENT AND CHIEF EXECUTIVE OFFICER, ASSOCIATION OF AMERICAN RAILROADS

On behalf of the members of the Association of American Railroads (AAR), thank you for the opportunity to discuss the reauthorization of Federal surface transportation legislation. AAR freight railroad members account for some 84 percent of U.S. freight railroad mileage, 93 percent employees, and 97 percent of revenue. The major freight railroads in Canada and Mexico are AAR members, as are Amtrak and several commuter rail systems.

For those who may be less familiar with the AAR, we've been around for 90 years, though our predecessors date back to the early days of railroading in the 19th century. We advocate for policies that promote the economic and operational health of the freight rail industry and that allow railroads to better serve their customers, the communities in which they operate, and the broader economy.

AAR's members are committed to working cooperatively with their employees, their customers, policymakers, and others to help railroads meet the freight transportation needs of our country safely and efficiently.

America Benefits Greatly When Freight Moves by Rail

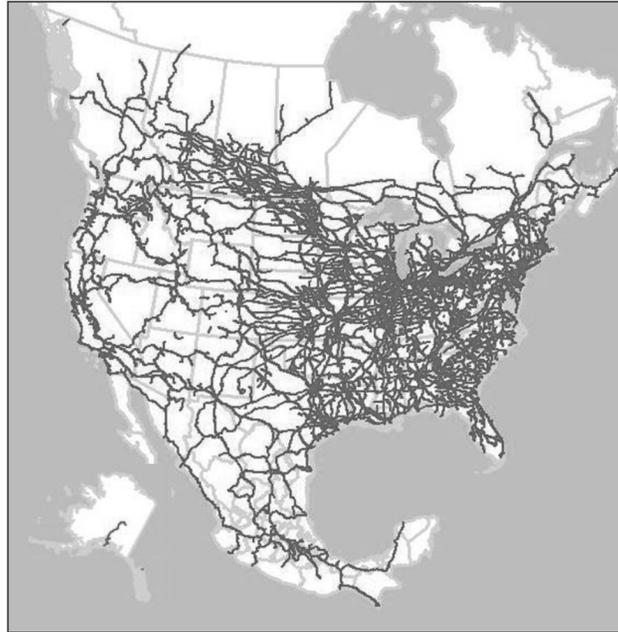
America's freight rail network is the best in the world, spanning more than 135,000 route-miles.¹ By linking businesses to each other domestically and abroad, freight railroads have played an essential role in America's economic development for nearly 200 years.

Freight railroads remain indispensable today, serving nearly every industrial, wholesale, retail, and resource-based sector of our economy. They carry enormous amounts of corn, wheat, soybeans, and other farm products; fertilizers, plastic resins, and a vast array of other chemicals; coal to generate electricity; cement, sand, and crushed stone to build our highways; lumber and drywall to build our homes; animal feed, canned goods, corn syrup, frozen chickens, beer, and countless other

¹Route-miles refers to the length of a single rail route even if the track is double or triple-tracked in some sections. Including parallel tracks, rail yards, and sidings adds tens of thousands of miles to the rail mileage total.

food products; steel and other metal products; newsprint and other paper products; autos and auto parts; iron ore for steelmaking; wind turbines; airplane fuselages; machinery and other industrial equipment; and much more.

North America's Freight Rail Network



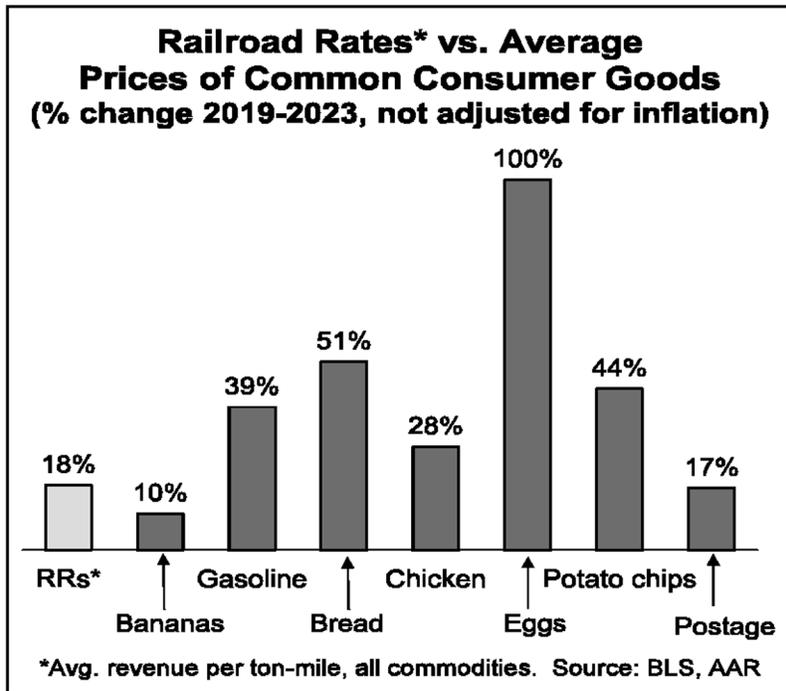
Meanwhile, rail intermodal—the transport of shipping containers and truck trailers on railroad flatcars—has grown tremendously over the past 30 years. Today, just about everything found on a retailer's shelves may have traveled on an intermodal train. Large amounts of industrial goods, such as auto parts, are transported by intermodal trains as well.

Each year, railroads move more than 1.5 billion tons of freight and 28 million carloads and intermodal units nearly 1,000 miles on average per shipment, underscoring their critical role in the U.S. economy. However, freight railroads contribute to our Nation in many other ways and help explain why supporting freight rail is sound public policy:

- *Safety.* Safety is the top priority for railroads, and the industry is steadfast in its commitment to reducing accident frequency and severity and enhancing safety measures. While any train accident is one too many, data from the Federal Railroad Administration (FRA) indicate moving freight by rail is extremely safe. Between 2005 and 2024, the train accident rate decreased by 32 percent and the employee injury rate dropped by 26 percent. Railroads today have lower employee injury rates than most other major industries, including trucking, airlines, agriculture, mining, manufacturing, and construction—even grocery stores. By these and other measures, the past decade has been the safest in rail history thanks to continuous improvements through investments in technology, infrastructure and training.
- *The Environment.* Moving freight by rail meaningfully reduces greenhouse gas emissions while helping the economy. On average, railroads move one ton of freight nearly 500 miles per gallon of fuel, making them three to four times more fuel efficient than trucks. This means that moving freight by rail instead of truck reduces greenhouse gas emissions by up to 75 percent.
- *Re-Investments.* Unlike trucks, barges, and airlines, America's privately-owned freight railroads operate overwhelmingly on infrastructure they own, build, maintain, and pay for themselves. From 1980 to 2024, America's freight rail-

roads spent more than \$830 billion (\$1.3 trillion in today's dollars) of their own funds on capital expenditures and upkeep expenses related to locomotives, freight cars, tracks, bridges, tunnels and other infrastructure and equipment. "Crumbling" might describe some U.S. infrastructure, but not freight rail. The American Society of Civil Engineers has consistently recognized these achievements, awarding rail one of the highest grades of all American infrastructure.² Freight rail infrastructure is in better overall condition than ever before.

- **Affordability.** The affordability of freight rail saves rail customers billions of dollars each year, enhances the global competitiveness of U.S. products, and helps American consumers. Average rail rates (measured by inflation-adjusted revenue per ton-mile) were 44 percent lower in 2024 than in 1981. Millions of Americans work in industries that are more competitive in the tough global economy thanks to the affordability and productivity of America's freight railroads. Changes in rail rates over time compare extremely favorably to changes in the prices of goods we buy every day.



- **Appealing Jobs.** The approximately 150,000 freight rail employees are among America's most highly compensated workers. In 2023, the average U.S. Class I freight rail employee earned wages of \$112,600 and fringe benefits of \$36,300, for total compensation of \$149,000. By contrast, the average wage per full-time equivalent U.S. employee in 2023 was \$80,300 (71 percent of the rail figure) and average total compensation was \$97,200 (65 percent of the rail figure). Finally, the median tenure of railroad employees is 13 years, compared to 3.9 years for private sector workers.
- **Broad Economic Impact.** Railroads drive \$233.4 billion in total economic output. And for every \$1 invested in rail transportation, an additional \$2.50 is gen-

²See American Society of Civil Engineers, 2025 Report Card for America's Infrastructure (available at: <https://infrastructurereportcard.org/>).

erated, which highlights the powerful ripple effect of railroads throughout the economy and across a multitude of sectors.³

- *Fighting Highway Congestion.* Because a single train can replace several hundred trucks, railroads reduce highway gridlock and the need to spend taxpayer dollars on highways.
- *Passenger rail.* Freight railroads provide a crucial foundation for passenger rail. More than 70 percent of the miles traveled by Amtrak trains are on tracks owned by other railroads—mainly freight railroads. In addition, approximately half of America’s commuter railroads operate at least partially on right-of-way owned by freight railroads.

Looking Ahead to Surface Transportation Reauthorization

The rail industry respectfully suggests that a series of overarching principles should guide surface transportation reauthorization. Adherence to these principles would enhance our Nation’s ability to transport people and goods safely, efficiently, and cost-effectively.

1. Improve Safety by Allowing Railroads to Innovate and Deploy Safety Technologies

New technologies are changing transportation. For example, widespread efforts are underway today to develop autonomous motor vehicles, including autonomous trucks that would compete directly with railroads. Autonomous vehicle technologies and other technologies impacting transportation vary in their stage of development, presenting challenges and opportunities that railroads must be able to address.

This means railroads must themselves look to new technologies to make their operations safer and more efficient. The use of technology to improve safety and efficiency is nothing new for railroads, but it’s taken on a new urgency as transportation markets have evolved.

The further use of emerging technologies to enhance rail safety and operations, however, will be needlessly stunted if regulators at the FRA and elsewhere in DOT fail to embrace technological change, or if they lock in existing technologies and processes so that new innovations and new technologies that could improve safety and improve efficiency are stifled.

For example, automated track inspection can improve detection of defects and dramatically reduce response time leading to fewer track-related accidents. Safety data collected from automated track inspection programs clearly support further deployment of this important technology. Unfortunately, due to the existing regulatory framework, the railroad industry is prevented from using the optimal combination of automated track inspections and manual inspections that would yield significant safety benefits.

As a result, this regulatory framework creates disincentives for the development and use of emerging technologies that would ultimately enhance rail safety and efficiency. Railroads will continue to develop and implement new technologies, but achieving maximum benefit will require regulatory flexibility that allows railroads to find what works best and encourages railroads to keep investing in those technologies.

2. Provide Robust Funding For and Streamline Safety-Enhancing Grant Programs

Collisions at highway-rail crossings remain a serious safety concern. Since 2005, the grade crossing collision rate has gone down only 4 percent despite significant investments from both the railroads and our private sector partners over that same period. And according to the FRA, in 2024 the 2,252 grade crossing collisions were associated with more than 260 fatalities and 750 injuries. These accidents can also involve significant property damage, clean-up costs, and costs associated with motorist and train delays while the accident is investigated and cleared. We should also remember the forgotten victims of grade crossing accidents: train crews, who are usually helpless (and blameless) in terms of preventing an accident but who have a front and center view of the tragedy and must live forever with its memory. Grade crossing incidents typically arise from factors outside railroad control, and highway-rail crossing warning devices are there for the benefit of motorists, not trains. Nevertheless, railroads are committed to reducing the frequency of crossing incidents.

³See Association of American Railroads, *Rail Transportation and the U.S. Economy: Fueling Growth, Trade, and Opportunity* (available at: <https://www.aar.org/wp-content/uploads/2025/02/AAR-PE-Economic-Impact-Report-2025-FINAL.pdf>).



The safest grade crossing is the crossing that is not there. That's why the elimination of grade crossings yields the biggest safety benefit, and why railroads strongly support the Railroad Crossing Elimination Grant Program (RCE). This competitive grant program, run by the FRA and created by the IIJA, provides more than \$500 million per year through 2026 to local and state governments and other public entities for grade separation or closure, track relocation, and the improvement or installation of grade crossing warning devices. Earlier this year, the FRA announced the most recent RCE grants, which total more than \$1.1 billion and will fund 123 projects associated with more than 1,000 grade crossings nationwide. Railroads commend policymakers for creating and funding this important program and respectfully suggest the program should be expanded to further improve grade crossing safety.

Additionally, Section 130 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 provides HTF money to states and local governments to eliminate or reduce hazards at highway-rail crossings. The Section 130 program has been retained under subsequent legislation. Most recently, the Infrastructure Investment and Jobs Act (IIJA) allocates \$245 million in Section 130 funds each year through 2026 for installing new and upgraded warning devices and for improving grade crossing surfaces. The program has helped prevent tens of thousands of fatalities and injuries associated with crossing accidents. Section 130 funding should continue at current or higher levels.

3. Support Funding Public Entities Partnering with Host Freight Railroads

The freight rail industry supports funding for grant programs that enable the public sector, including state and local governments, to partner with freight railroads and others to advance projects of mutual interest that improve the overall flu-

idity of supply chains, reduce highway and port congestion, improve safety, facilitate passenger rail, and improve the quality of life for communities. To that end, the following U.S. DOT programs should continue to be authorized at existing or increased levels:

- *The Infrastructure for Rebuilding America (INFRA) grant program.* INFRA funds projects that address significant challenges in U.S. transportation infrastructure, particularly highways, bridges, railroads, and ports. INFRA encourages the use of private investments, state and local funding, and innovative financing to maximize the impact of Federal dollars. INFRA prioritizes projects that demonstrate a significant regional or national impact, alignment with national and economic priorities, and readiness for implementation.
- *The National Infrastructure Project Assistance grant program.* Often referred to as the “Mega” grant program, this Federal initiative is designed to support transformational infrastructure projects that have significant national or regional impact and are too large or complex to be funded by other Federal programs alone. Examples include large highway expansions, major bridge replacements, and multimodal freight and passenger transportation projects. Mega grants prioritize projects that combine Federal support with state, local, and private sector funding, ensuring a shared commitment.
- *The Rebuilding American Infrastructure with Sustainability and Equity program.* Formerly known as TIGER (Transportation Investment Generating Economic Recovery) and later BUILD (Better Utilizing Investments to Leverage Development), RAISE is a discretionary funding initiative that provides competitive grants to support infrastructure projects with a focus on sustainability, equity, and innovation. By prioritizing projects that align with national and local priorities, RAISE contributes to the development of modern, resilient, and equitable transportation infrastructure across the country.
- *The Consolidated Rail Infrastructure and Safety Improvements (CRISI) program.* CRISI grants are designed to enhance the safety, efficiency, and reliability of U.S. freight and passenger rail systems. Program goals include improving safety through projects that improve rail infrastructure and reduce accidents and fatalities; modernizing aging rail infrastructure to enhance reliability and capacity; supporting efficient goods movement; and bolstering local and regional economies. Emphasis is placed on projects that provide public benefits, particularly in rural areas and for smaller railroads.

These essential programs are partnerships that solve critical transportation challenges by combining Federal and non-federal resources for specific projects. Without these partnerships, many projects that promise substantial public benefits (such as reduced highway congestion or increased rail capacity for use by passenger trains) in addition to private benefits (such as enabling faster freight trains) are likely to be delayed or never started because none of the involved parties can justify the full investment needed to complete them by themselves.

4. Restore the Highway Trust Fund (HTF) to a True User-Based System

The United States has historically relied on a user-pays system to fund investments in highway infrastructure. Unfortunately, revenues into the HTF have failed to keep pace with spending needs. According to the Congressional Budget Office (CBO), balances in both the highway and transit accounts of the HTF will be exhausted in 2028. The CBO says that if the taxes that are currently credited to the trust fund remained in place and if funding for highway and transit programs increased annually at the rate of inflation, the shortfalls accumulated in the HTF highway and transit accounts from 2024 to 2033 would total \$241 billion.⁴

This shortfall has previously been covered by transfers from the general fund, but general fund transfers to the HTF distort the freight transportation marketplace in favor of trucking and put other transportation modes at an unfair competitive disadvantage. This is especially problematic for railroads, which build, maintain, and pay for their own infrastructure.

Studies indicate that trucks cause the overwhelming majority of the damage to our nation’s roads and bridges as compared to other vehicles, and the fuel taxes and other fees heavy trucks pay do not come close to covering the costs of that damage.⁵

⁴ Testimony of Chad Shirley, Principal Analyst Microeconomic Studies Division, Congressional Budget Office, Before the U.S. House of Representatives Subcommittee on Highways and Transit, Committee on Transportation and Infrastructure, October 18, 2023.

⁵ Congress should require that the Federal Highway Administration finalize the highway cost allocation study required in the last surface transportation reauthorization. This would provide

The taxes and fees trucks pay to help maintain our Nation's roads and bridges have not been substantially changed since 1993, resulting in a multi-billion-dollar annual underpayment compared to the damage they cause.

Congress should remedy this modal inequity by either increasing the fuel tax or imposing a vehicle-miles traveled fee or a weight-distance fee for motor carriers. An appropriate user fee would be self-sustaining; would not increase taxes or fees for non-highway transportation modes; and would create a competitive tax environment across modes.

5. Streamline the Environmental Permitting Process

While efforts to cut red tape associated with infrastructure project approval and construction have borne some fruit in recent years, more can still be done to fast-track routine rail construction projects without ignoring environmental or historical preservation concerns.

For example, policymakers could codify that, for rail projects whose purpose is to replace existing infrastructure on existing operating railroad right-of-way, a categorical exclusion and a finding of no significant impact are the only NEPA documentations necessary.⁶ In addition, policymakers could convert to statute select executive orders on streamlining the permitting process, such as timeclocks, intermediate deadlines, and One Decision.⁷ Policymakers could also continue to streamline the "Section 106" historic preservation process for projects needed to enhance or maintain rail infrastructure.⁸

These approaches to environmental review would expedite projects that would enhance supply chain fluidity while ensuring comprehensive and effective environmental reviews are maintained. The environment would still be protected, while supply chains would benefit from greater efficiency and more environmentally friendly performance.

6. Oppose Policies that Harm Railroads' Ability to Operate Safely and Efficiently

Railroads respectfully urge members of this committee and other policymakers to reject policy riders to surface transportation legislation that would hinder railroads' ability to operate safely and efficiently.

Minimum Crew Size

For example, policymakers should oppose proposals mandating two crew members in freight locomotive cabs. There is no quantitative evidence that a two-person crew mandate would enhance safety. Moreover, a two-person mandate could stifle the adoption of new technologies that would enhance safety. Railroads aren't seeking the ability to impose one-person crews haphazardly or unilaterally. Rather, they seek flexibility to continue to work with rail labor under the existing collective bargaining framework—as they have for decades—to identify when conditions allow a reduction in the number of crewmembers without jeopardizing safety.

Technology Mandates

Likewise, technology mandates should be avoided. Flexible, technology-driven solutions are preferable to rigid regulatory requirements. For example, advances in on-board monitoring systems and automated data collection are likely to be just as effective, or more so, in detecting potential problems without the need for fixed way-side detectors at prescribed distances.

needed precision regarding the damage to our Nation's roadways caused by each highway user class.

⁶The National Environmental Policy Act (NEPA) requires Federal agencies to assess the environmental impacts of their proposed actions before making decisions. A categorical exclusion is a category of actions determined not to have significant environmental impacts, allowing them to bypass detailed reviews like Environmental Assessments (EA) or Environmental Impact Statements (EIS). A finding of no significant impact (FONSI) is a determination that a proposed project, based on an EA, will not significantly impact the environment, eliminating the need for a more detailed EIS. A FONSI ensures environmental oversight while allowing projects with minimal impacts to proceed efficiently.

⁷"One Decision" in the context of permitting for large projects refers to a streamlined approach where a designated lead agency coordinates all necessary reviews and approvals from multiple entities to deliver a single, consolidated decision within a clear timeframe. This method reduces duplication, ensures regulatory certainty, and accelerates project timelines by aligning agency efforts and eliminating conflicting requirements.

⁸Section 106 of the National Historic Preservation Act requires Federal agencies to assess the impact of their projects on historic properties. Streamlining this process means making the review and consultation more efficient, potentially speeding up decisions without sacrificing protections for historic sites.

Regulatory flexibility regarding technology allows for better allocation of resources, focusing on specific track conditions and areas with higher risks instead of adherence to arbitrary rules. More broadly, any new operational restrictions should be science-based and data-driven, designed to correct a specific problem, and incorporate solutions to address that deficiency as efficiently as possible. Otherwise, the Nation's freight supply chain would be needlessly weakened.

Access to Railroad Rights-of-Way

Legislative or regulatory actions aimed at granting access to railroad rights of way to non-railroad entities, such as telecommunications companies, must be carefully proscribed. Safety must be the top priority. Railroads must have sufficient time and information to process applications for access, and railroads should be given fair and complete reimbursement, including reimbursement of any out-of-pocket costs associated with facilitating that access and work associated with it. To prevent a hodgepodge of conflicting state requirements, laws governing access to the right-of-way should be uniform across the country. Finally, the U.S. DOT, not the FCC nor any state or local entities, must be the primary overseer of these agreements.

Truck Size and Weight Restrictions

Congress should reject calls to increase Federal truck size and weight limits until, at a minimum, trucks pay the full cost of the damage they cause to our roads and bridges. The multi-billion-dollar annual underpayment would become even greater if truck length and weight limits were increased. Raising truck size and weight limits would also artificially shift freight from rail to truck. Given rail's inherent environmental advantages and the many other benefits of moving freight by rail, imposing artificial impediments to rail, such as increasing Federal truck size and weight limits, is not sound policy.

Marijuana Reclassification

Finally, as the Drug Enforcement Agency continues to analyze a proposal to re-schedule marijuana from a Schedule I to a Schedule III drug, Congress should ensure that employers whose employees conduct safety-sensitive activities each day, like the railroads, maintain the ability to drug test employees for marijuana usage and treat positive tests as proof of unacceptable employee conduct.

Conclusion

America's freight railroads are a vital national resource. With highway congestion becoming more acute and with public pressure growing to combat climate change, conserve fuel, and promote safety, railroads are well positioned to take on a larger role in meeting these challenges, given their substantial advantages in these areas over other transportation modes. Demands for use of freight-owned track by passenger trains are mounting and will probably continue to grow. And, of course, as our economy evolves, railroads will continue to be called upon to make additional investments in their networks to provide the efficient, reliable, and cost-effective freight transportation service that their customers, and our nation, need to prosper.

For that to happen, members of this committee and others must craft appropriate policies. Freight railroads stand ready to work with you to ensure that our Nation's transportation needs are met in a responsible, environmentally sound, and safe manner.

Senator YOUNG. Well, thank you, Mr. Jefferies. Mr. Gilbertson, you are recognized for 5 minutes.

**STATEMENT OF PETER GILBERTSON, PRESIDENT
AND CHIEF EXECUTIVE OFFICER, ANACOSTIA RAIL HOLDINGS
COMPANY; AND MEMBER, AMERICAN SHORT LINE
AND REGIONAL RAILROAD ASSOCIATION**

Mr. GILBERTSON. Thank you, Chairman Young, and thank you Senator Peters and Moreno. It is—happy to be here. I am Peter Gilbertson, President and CEO of Anacostia Rail Holdings. We operate six short line railroads in seven states, including Indiana, and Minnesota, and Illinois.

I am appearing on behalf of the American Short Line and Regional Railroad Association which represents 603 Class II and III railroads. Together, these railroads operate 50,000 miles of track,

or about 30 percent of the national network. They operate in 49 states. And the one that we don't operate in is Hawaii. We would be interested in operating in there if there is any opportunity.

We are the industry's growth engine. Short lines are entrepreneurial small businesses. The typical short line employs about 30 people, operates about 80 miles, and earns about \$8 million in annual revenue. Our significance, though, is not our size, but who and where we serve. We serve rural America. We serve ports. We serve defense facilities. We serve underserved areas.

We are the first and last mile in many cases. In this role, we face some unique challenges, aging infrastructure, limited revenue, complex regulatory requirements, constrained access to capital.

My written testimony covers three areas that address these challenges, continued and robust, predictable Federal infrastructure financing, regulatory reform that is data and risk driven and not prescriptive, and then finally support for innovation and new technologies through streamlined testing, waivers, and investment. Most short lines operate over track that was headed for abandonment before their time. And because of that, they understandably receive little or no capital investment.

So there is a lot of deferred maintenance in the network we operate. We have to invest on average about 30 percent of our annual revenue in maintaining and rehabilitating our infrastructure, which makes short lines one of the most capital intensive industries in the country.

The CRISI program of the USDOT FRA is the only Federal program that allows direct access to capital for short line infrastructure improvements. It has been very successful. Of the 240 CRISI awards made to date, over \$2.7 billion has gone to projects benefiting short lines. In the 2023, 2024 round, short lines received 81 out of 122 awards.

These were matched by private investment, non-Federal investment, from 20 percent to 80 percent of the total project cost. So this leverages funds into the infrastructure of the United States beyond just the Federal investment. We encourage you to extend the program on the next Surface Transportation Reauthorization, and my testimony makes several recommendations to improve the program.

Two are particularly important. One is advanced appropriations, because it permits us to plan. Second, while we commend the FRA staff for processing these things, there has been delays between the announcement of the grant and the actual funding of the program. And the process actually includes a grant agreement as part of the application.

So we think there is opportunities to substantially shorten that period. Safety is the next thing I want to touch on. It is a fundamental value to us. Our employees and the communities we serve are crucial to us, and it is a fundamentally value. But we believe FRA could take some specific actions to reduce the regulatory burden.

My colleague has addressed some of these things, but I will give an example. The FRA signal and employee dispatcher certification regulations had cost benefit ratios of 8 to 1, and 3 to 1, respectively. In other words, the cost exceeded benefits, and this was by FRA's own calculations.

This is the kind of thing that we think we can have a more creative approach to our safety objectives. Finally, we have an old industry here. It is 150 years old, and we must embrace innovation. There are significant opportunities to improve what we are doing in technology. And I will give you one example that I think is germane, both to CRISI, but also some of the technology that is occurring.

We, one of our railroads, Louisville and Indiana, between Indianapolis and Louisville, Kentucky, has been developing, with the assistance of CRISI and our own funds, an app that permits us to talk to first responders and show first responders if there is a grade crossing incident, exactly where it is occurring, so that there isn't confusion about responding quickly.

Once we complete that and we are very close to that, we will share that with other railroads in the United States. This is an example of—and obviously, we are not developing the app. We are working with others to develop it. But it is the kind of entrepreneurship I think you see in short lines.

There is a problem. Let's step up and try to fix it. And the Federal funds have been crucial to that. So, I thank you for the opportunity to speak and look forward to any questions.

[The prepared statement of Mr. Gilbertson follows:]

PREPARED STATEMENT OF PETER GILBERTSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, ANACOSTIA RAIL HOLDINGS COMPANY AND MEMBER, AMERICAN SHORT LINE AND REGIONAL RAILROAD ASSOCIATION

Introduction

Chairman, Ranking Member, and Members of the Subcommittee:

Thank you for the opportunity to testify as you examine ways to modernize our freight and passenger rail networks. My name is Peter Gilbertson, President and CEO of Anacostia Rail Holdings and a member of the American Short Line and Regional Railroad Association (ASLRRRA). Our company operates six short line railroads, employing over 400 people and connecting 300 customers in 270 communities in six states. Our railroads serve rural areas as well as the three largest cities in the United States. We serve military facilities and ports. We are proud to help retain and grow manufacturing and agriculture in the U.S. We are an industry leader in innovation.

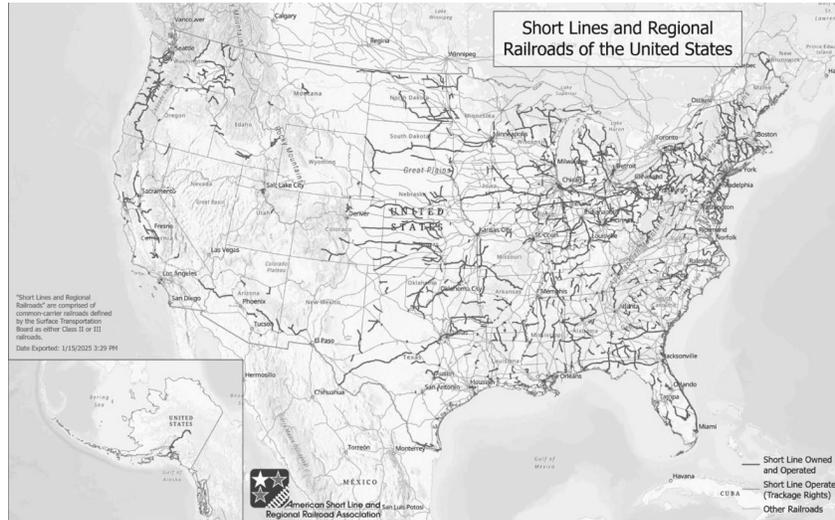
I'm here today to speak for the over 600 small business railroads that form the backbone of freight rail in rural and small-town America. Together, these railroads operate 30 percent of the national network, providing first- and last-mile service to over 10,000 shippers.

This testimony centers on three pillars critical to modernizing and sustaining America's short line freight railroads:

1. *Robust and predictable Federal infrastructure funding*, especially through the **Consolidated Rail Infrastructure and Safety Improvements** (CRISI) grant program.
2. *Regulatory reform that is data- and risk-driven*, not prescriptive.
3. *Support for innovation and new technologies*, through streamlined testing, waivers, and investment.

These themes are interwoven with a simple truth: if short lines succeed, America's supply chain is stronger, safer, and more resilient.

The Short Line Freight Railroad Industry



As you will note from the map above, almost every Member of this Subcommittee has one or more short lines operating in their state, and in many cases these short lines are one of the significant businesses in their towns. More importantly, small railroads help retain and attract jobs of their customers.

But despite their critical role, short lines face steep economic and regulatory challenges. Most operate on infrastructure that is decades old and must overcome disproportionately high capital costs with limited revenue. That is why strong Congressional support—for targeted infrastructure programs like CRISI, for smart regulatory reform, and for flexible policies that foster innovation—is essential. Without it, the small railroads that power America's heartland risk falling behind in meeting the demands of a modern economy.

The CRISI Program: A Cornerstone of Short Line Growth and Viability

Short lines were born out of necessity after the Staggers Rail Act of 1980, which transferred neglected large Class I branch lines that were otherwise headed for abandonment to local operators who believed in their potential. Since then, short lines have proven to be resilient, entrepreneurial businesses that reinvest heavily—up to one-third of revenue annually—into maintenance and upgrades. Rehabilitating and operating these lines are enormously capital-intensive. As an example, Anacostia has invested over *\$30 million* into our infrastructure for routine maintenance—and that does not include major infrastructure projects.

The CRISI program, created in 2015, is the only Federal program that allows direct access to capital for short line infrastructure improvements. Anacostia Rail Holdings has received CRISI grants for several projects, including:

1. FRA CRISI FY 2018 PTC
New York & Atlantic Railway (NYA) positive train control (PTC) Implementation Project
\$1,011,118
This project involved the installation of PTC onboard 10 NYA locomotives as well as support training and testing for its operations on rail lines shared with the Long Island Railroad in Long Island, NY.
2. FRA CRISI FY 2018 PTC
Chicago South Shore & South Bend Railroad (CSS) PTC Implementation Project
\$720,000
This project also supported PTC installation, testing, and training as well as interoperability between CSS and the Northern Indiana Commuter Transportation District (NICTD). CSS and NICTD share a joint freight-commuter corridor from Chicago, IL, to South Bend, IN.
3. FRA CRISI FY 2018

Developing and Implementing a Mobile Device Emergency Responder Access Application for the Louisville & Indiana Railroad Company (LIRC)
\$335,361

This project supports the development of a geographic information system mobile application for the Louisville and Indiana Railroad Company with software, linking railroad dispatch and first responders, aiding communication, and response during railroad incidents. The project is in cooperation with ASLRRRA and the Short Line Safety Institute (SLSI) and when complete the mobile application will be made available to other railroads.

4. FRA CRISI FY 2018
Chicago South Shore & South Bend Rail Rehabilitation and Safety Improvement Project
\$2,831,705

This project involved upgrading a line between Michigan City and La Porte, Indiana by replacing 100-year-old, 90-pound rail track with 115-pound rail. Also included was the upgrade of an existing rail crossing north of Highway 35 in Michigan City, ensuring compatibility with the new track.

5. FRA CRISI FY 2018
New York & Atlantic Track Realignment and Rehabilitation Project
\$368,679

The project involved construction of 650 feet of new track on an improved alignment and connection to reduce the severity of a curve in Fresh Pond, Queens, New York.

6. FRA CRISI FY 2022
Louisville & Indiana Railroad Company Safety, Sustainability, and Alternative Energy Project
\$2,685,600

The project included final design and construction activities for various track-related improvements, upgrades to certain grade crossings, and solar panel installation at certain rail facilities. LIRC and the Indiana Department of Transportation provided a 52 percent non-Federal match.

7. FRA CRISI FY 2023–2024
Louisville & Indiana Railroad Clagg Bridge Lift Span Operations Project
\$6,492,000

The project will complete sheave, trunnion, and bearing replacement on the Fourteenth Street Bridge over the Ohio River, connecting Louisville, Kentucky, and Clarksville, Indiana. Replacement of these assemblies has become necessary due to the age of the existing components and to replace a failing piece of equipment. The bridge is over 100 years old. This project is expected to increase the lifespan of the existing structure by a minimum of 50 years. The bridge is used by both LIRC and CSX and both companies are contributing funding.

For each project, Anacostia railroads contributed at least 20 percent of the total project costs. These projects, along with many others nationwide, yield six key benefits:

1. *Addressing Critical Infrastructure Needs*—CRISI enables critical projects, such as bridge replacements, or track upgrades that remove bottlenecks and allow carriage of industry-standard 286,000-pound railcars, improving interoperability and competitiveness.
2. *Improving Safety*—Rail safety directly benefits from sound infrastructure. CRISI funds replace worn-out crossties and steel rails, reducing the risk of derailments and making rail service safer for employees and communities alike.
3. *Creating and Sustaining Jobs*—Short line rehabilitation projects are labor-intensive and rely on local contractors. These projects support good-paying jobs in rural communities and generate long-term employment through freight rail service expansion and improvement.
4. *Enhancing Environmental Outcomes*—For healthy communities, rail is the most fuel-efficient mode of freight transport. CRISI-funded upgrades facilitate modal shift from truck to rail, which reduces highway congestion and air pollution.
5. *Promoting Economic Development*—CRISI investments enable service to new and growing businesses and attract additional shippers and manufacturers to the community.
6. *Improving Service for Customers*—Even small improvements—such as a short stretch of new track or the elimination of a chronic derailment risk—can make

an enormous difference in the transportation costs and competitiveness of shippers. Reshoring of manufacturing to the U.S. requires a strong rail freight network.

Of the 240 CRISI awards made to date, over \$2.7 billion has gone to projects benefiting short lines. In the most recent combined FY23–24 round, short lines received 81 out of 122 awards—over \$1.2 billion in funding. These awards were matched by local and private investments ranging from 20 percent to as much as 80 percent, demonstrating that CRISI leverages public dollars effectively and attracts private capital that otherwise would not be invested.

Additional examples of short line projects that CRISI has supported, and the project's impact are attached to this testimony in an Addendum.

The Importance of Predictable and Robust Funding

The advance appropriations provided for CRISI through the previous surface transportation law—\$1 billion annually through FY 2026—have been transformational. Predictable funding allows small businesses to plan ahead, secure match funding, and complete upfront engineering work required for competitive applications. Without advance appropriations, many short lines would be unable to pursue these grants due to the uncertainty and high upfront costs involved, and CRISI funds would be less effectively spent.

The merit-based approach for awarding CRISI grant funds has proven to be accessible to short lines. Over the life of the program, and across Administrations, this approach has resulted in a generally equitable national distribution of funding while providing the U.S. Department of Transportation with important flexibility to address a very diverse array of types and scale of freight rail investment needs.

It is essential that the next surface transportation reauthorization not only extends CRISI but also preserves the advance appropriations structure. Without it, Federal investment becomes less effective, fewer projects move forward, and the communities that rely on short lines are left behind.

CRISI Grant Award Process Recommendations

The CRISI program has proven to be powerful, effective, and broadly supported on a bipartisan basis. However, there are clear opportunities to improve the grant process. Delays between award announcements and actual construction, as well as obstacles to making necessary project adjustments as conditions evolve, significantly reduce the effectiveness of CRISI funding—not just for railroads like ours, but for the shippers and communities that rely on us.

Short lines are ready to get to work. By the time we apply for CRISI grants, we have already invested limited financial resources—along with substantial personnel resources—just to be able to compete effectively for funding.

Our shippers, who rely on us for critical access to domestic and international markets, are eager to see safer, more efficient rail service become a reality. Delays in grant funding delay the hoped-for improvements and business opportunities.

And the communities we serve—where local expertise is often employed to conduct these projects—are waiting to realize the economic benefits that come with upgraded infrastructure: new business investment, expanded manufacturing, and job creation.

To maximize the impact of the CRISI program, we must address these systemic delays. Streamlining implementation and allowing for greater flexibility in project management will ensure that Federal dollars translate more quickly and effectively into real-world benefits.

Here are our recommendations on how the CRISI program can be further improved, and made even more impactful:

- *Protect CRISI's Ability to Bolster the Freight Rail Network*—ASLRRA discourages set-asides within CRISI for passenger rail projects or expansions of the program to include major new eligible applicants, such as commuter railroads. With so many challenges facing our freight supply chain, short lines need to remain viable competitors for these limited funds. While we have no opposition to passenger rail, there are other Federal grant programs that provide passenger rail applicants with funding levels that dwarf CRISI. Moreover, some short line CRISI projects benefit passenger rail.
- *Speed*—CRISI projects should move from announcement to obligation to completion faster than they currently do. Currently, CRISI some projects are delayed by 12–18 months. Most short line projects are quite simple in the context of infrastructure investments. Compressing the timeline would result in better outcomes for the public, for short lines, for communities, and for shippers with no

additional risk, and would help avoid the significant cost escalation associated with delay.

- *Encourage the use of pre-award authority (PAA)*—More extensive use of PAA would allow CRISI grant awards for small railroad infrastructure projects to move more quickly and efficiently. PAA authorizes grant recipients to begin their projects immediately at their own risk rather than being stuck in limbo during the often-lengthy Federal approval process, including environmental and historic reviews. Nearly all short line projects that receive CRISI awards are found to create no significant impacts on the environment that would require mitigation as a condition of award. The agency should consider more routinely authorizing PAA for non-ground disturbing elements of short line project scope such as for engineering analyses, locomotive investments, and acquisition of construction materials like crossties and rail. Prompt acquisition of materials can be a particularly useful step to mitigate project cost inflation risk. Delays in completing engineering and design work correspondingly delay entry into the construction phase of a project.
- *Increase Transparency across the Grant Lifecycle to Enable Benchmarking and Process Improvement*—Congress could require that FRA file regular standardized reports on the status of processing grants to the transportation authorizing and appropriating committees. These reports could document the status of major common milestones from award notification through grant obligation to project closeout. This data will help stakeholders understand how long it takes the agency to move through the process for each award to achieve grant obligation and begin work. It will also create some beneficial pressure encouraging the agency to innovate to move the process faster.
- *Optimize grant application processes and program accessibility*—FRA should consider a mechanism to share basic data on the pool of applications received each cycle with ASLRRRA for analysis. This high-level information (such as applicant, requested award and total project cost) is publicly shared for DOT grant programs like RAISE/BUILD that have only public applicants, but not for CRISI. ASLRRRA could work directly with FRA under an information sharing agreement to enable better analysis of what parts of the short line population are either not applying for CRISI grants or not applying successfully. Such collaboration could help the agency and the association to work together better to improve outreach to ensure the CRISI program is broadly accessible, especially to the smallest railroads.
- *Improve Notices of Funding Opportunity (NOFO) and the application review process*—Past NOFOs included requirements beyond those in the program statute in the section on “administrative and national policy requirements.” These requirements caused confusion among applicants as to how their applications would be reviewed and what project implementation steps they would need to take. FRA should carefully review these requirements as they revise their standard NOFO text and strike requirements conditioning grant agreement execution on policies that are not required by the grant program statute.
- *Improve Elements of the NEPA Process*—Railroads are an environmentally friendly way to move goods. We encourage efforts to ensure NEPA requirements reflect this sustainable way to move freight and do not undermine it. Specifically, we believe there could be room within USDOT’s NEPA implementing regulations to expand definitions of selected categorical exclusions (CEs) without risking significant environmental impacts. Systematically bundling and front-loading projects that are likely to be CEs for expedited and early review and approval is an approach that could speed up the overall processing of awards. ASLRRRA looks forward to the updating of regulatory and policy frameworks at DOT that should reduce the delay risk of NEPA and other statutorily required reviews, particularly those made in accordance with recent Supreme Court decisions.
- *Grant Adjustment Request Form Process*—The Grant Adjustment Request Form (GARF) process is a procedure used by grant recipients to request changes to the terms of a grant. These changes might include things like:
 - *Budget modifications* (e.g., moving funds between categories)
 - *Time extensions* for completing the project.
 - *Scope changes* to alter what the grant is funding.
 - *Key personnel changes* or other administrative updates

We recommend continuing effort at streamlining the steps, improving communication, and aligning requirements with real-world project conditions. We are

encouraged by DOT's recent efforts to develop grant agreements with the flexibility to enable minor adjustments within projects such that GARFs are less frequently needed.

- *Coordinate Section 106 Reviews*—FRA can reduce delays by coordinating with DOT's Office of the Secretary of Transportation (OST) and the White House to expedite the Advisory Council on Historic Preservation's acceptance of the final Section 106 exemption of railroad rights-of-way (ROW) from review under Section 106 of the National Historic Preservation Act. Unnecessary Section 106 reviews can introduce serious delays into the grant obligation process.

Continued Federal Support for Grade Crossing Safety Issues

Continue to fund Operation Lifesaver (OLI), Section 130, and the Rail Crossing Elimination (RCE) program to protect the public. By far the most significant concerns with rail safety are related to interactions with the public at grade crossing accidents and trespasser issues. Operation Lifesaver is an industry- and government-supported effort which focuses on educating the public both about the importance of staying off railroad tracks and the need for passenger and commercial vehicle drivers to exercise caution at grade crossings. The Federal government has been an important participant in these efforts, largely through the FHWA Railway-Highway Crossings Program, known widely as the "Section 130" program. This program significantly improves grade crossing safety by providing funding to improve grade crossing protection equipment. More recently, the Rail Crossing Elimination program has also been successful in providing options for communities to close unnecessary crossings. We recommend that Congress continue to fund the OLI, RCE, and Section 130 programs at robust and guaranteed levels.

Short Line Safety Institute

Safety culture has been identified as a top priority for the short line and regional railroad industry.

The goal of the Short Line Safety Institute (SLSI) and its programs is for the short line and regional railroad industry to perform at an increasingly high level of safety because of a focus not only on compliance, but on *safety culture*, defined as *the shared values, actions, and behaviors that demonstrate a commitment to safety over competing goals and demands*.

With congressional funding, SLSI functions to (a) conduct on-site assessments of safety culture, and (b) provide safety education and training for managers and employees of short line and regional railroads as well as tourist, historic, commuter and passenger railroads. Our company has an ongoing commitment to avail itself of the services of SLSI—because it works.

We urge Congress to continue Federal support for SLSI. SLSI helps build a stronger, more sustainable safety culture through safety culture assessments, training, and education—including the safe transportation of energy products and hazardous materials—outreach activities, and research.

Transformational Regulatory Change

While changes to the specific regulatory actions in the sections above would provide meaningful regulatory relief to short line railroads, in accordance with EO 14192, there is another, transformational regulatory approach that DOT should consider—the Risk Reduction Program Congressional mandate, which provides the foundation for regulatory reform and innovation.

In 2008, Congress directed the Secretary of Transportation to issue a regulation requiring certain railroads to develop a Risk Reduction Program (RRP).¹ Pursuant to the statute, each railroad's RRP must systematically evaluate safety risks on the railroad's system and create a plan to manage those risks to reduce the consequences and rates of railroad accidents, incidents, injuries, and fatalities.²

In its RRP, a railroad is to conduct a risk-based hazard analysis to identify and analyze factors that affect railroad safety, including: operating rules and practices, infrastructure, equipment, employee staffing levels and schedules, management structure, and employee training.³ Further, Congress mandated that each railroad's RRP include a technology implementation plan and a fatigue management plan.⁴

The RRP statutory mandate is an alternative, comprehensive approach to managing railroad safety. By systematically and comprehensively evaluating all safety

¹ Rail Safety Improvement Act of 2008, Public Law 110-432, 122 Stat. 4854 (Oct. 16, 2008); codified at 49 U.S.C. § 20156.

² 49 U.S.C. § 20156(a)(1)(A).

³ 49 U.S.C. § 20156(c).

⁴ 49 U.S.C. § 20156(d)(2).

risks to the railroad, a railroad will reduce risk and improve safety, including through the use of new technology not yet contemplated or allowed by existing regulations. Following this risk-based and analytical approach renders the prescriptive regulations currently in the Code of Federal Regulations as redundant, costly, and completely unnecessary. In short, such a risk-based approach provides an alternative, safety-enhancing and cost-efficient means for railroads to comply with FRA safety requirements.

FRA issued comprehensive regulations mandating RRP for certain railroads on February 18, 2020.⁵ Industry comments filed in connection with that rulemaking encouraged FRA to build on the RRP approach as an alternative means to compliance with FRA safety regulations, allowing risk-based analysis to supplant prescription regulatory programs.⁶

In those comments, the rail industry proposed changes to the existing RRP regulations that would provide a railroad with a pathway of proposing the basis and timeline for implementing technology or processes that would provide a superior mitigation of hazards and the identified resulting risks in lieu of specifically-identified Federal railroad safety standard requirements. Subsequently, FRA approval of an RRP plan would operate as an exemption or waiver of the identified regulations.⁷ While ASLRRRA has outstanding concerns regarding some nuances of the current RRP regulations, overall, ASLRRRA is supportive of the RRP, especially in light of the industry comments, as an alternative to the existing prescriptive and costly Federal regulations and encourages FRA to consider such an approach.⁸ Congress should support changes to the RRP to facilitate that concept.

This proposed transformational change would also address the numerous instances in FRA safety regulations where the agency has taken a performance-based directive in a Congressional mandate and expanded it to a very prescriptive end product. While there are numerous examples here that could be cited, short line railroads are particularly impacted by the Training, Qualification, and Oversight for Safety-Related Railroad Employees rule at 49 C.F.R. Part 243. This rule takes the statutory mandate from the Rail Safety Improvement Act of 2008, codified at 49 U.S.C. §20162 to establish minimum training standards for safety-related railroad employees and expands it into cumbersome, unwieldy regulations that places extremely prescriptive and unnecessary burdens on small businesses.⁹ These types of regulations do not improve safety and serve merely to add burden to and require additional resources from FRA. FRA can reduce unnecessary regulatory burden on the rail industry and itself by deploying the RRP rule as an alternative to the prescriptive regulations that exceed statutory mandate.

Innovation in Railroad Technology

As our Nation works to modernize infrastructure and strengthen supply chains, the more than a century old freight rail industry in fact stands at the forefront of innovation.

Advances in rail technology are driving safer, more efficient, and more sustainable transportation solutions. From automated track inspection to predictive maintenance and low-emission locomotives, these innovations are not only enhancing operations but also supporting broader national goals—reducing emissions, driving economic growth, improving safety, and connecting communities. Continued investment and regulatory flexibility are essential to unlock the full potential of these technologies and ensure that America’s rail network remains a global leader in 21st-century transportation.

Congress can help railroads test and deploy new technologies by streamlining waiver acquisition. Railroads have shown their commitment to developing, testing, and deploying new technologies that improve safety and enhance fluidity of the supply chain of their operations. Policymakers should offer industries—including freight rail—operational and regulatory flexibility to encourage further innovation. This needed flexibility could cover everything from technologies and procedures to increase fuel efficiency to new technologies that require extensive testing and research. Flexibility and streamlining are necessary to empower the rail industry to explore these options. For example, policymakers should consider streamlining waiv-

⁵ 85 Fed. Reg. 9,262 (Feb. 18, 2020).

⁶ See Supplemental Comments of the Association of American Railroads, Docket No. FRA-2009-0038, Oct. 31, 2018.

⁷ *Id.* at 4.

⁸ See ASLRRRA’s joint comments with the National Railroad Construction and Maintenance Association at Docket No. FRA-2021-0035-0004.

⁹ An example would be the regulatory requirement for three-year refresher training at 49 C.F.R. §243.201(e), which is not required in the statute nor proven to serve a safety purpose.

er review timelines, encouraging pilot programs, and establishing performance-based thresholds.

As with most industries, the promise of technology in the rail industry is significant, especially since today's rail industry data systems and customer tools can be at times considered antiquated and disparate across the industry.

One example of promising technical innovation is RailPulse. RailPulse is an industrywide telemetry platform that brings real-time data and digital visibility to North America's freight rail fleet. Founded in 2020 by a coalition of rail industry partners, including small railroad firms Iowa Interstate, Genesee & Wyoming and Watco—to create a vendor-neutral, open-architecture telematics ecosystem. Development of the platform was aided by a \$7.9M FY 2020 CRISI grant to help develop the railcar onboard GPS sensor system to provide real-time information on railcar movements and condition to shippers, car owners, and railroads.

The official RailPulse platform launch occurred on September 3, 2024, following pilot programs and platform development and in February 2025, Anacostia joined this consortium. This technology has allowed industry to address shipment and railcar visibility, offer enhanced safety, improve the shipper experience, lower operational costs and more. We believe this type of public-private partnership should continue.

Additionally, in February, two of ASLRRRA's members, the Heart of Georgia Railroad and Georgia Central Railway, received approval from FRA to begin the field operational testing of a system for transportation of freight containers on autonomous rail bogies, developed by Parallel Systems. The program aims to evaluate the effectiveness of the system, show that it can safely run alongside conventional equipment, and demonstrate the short-haul movement of intermodal containers.

With regards to improving the efficiency and emissions of locomotives, Anacostia and several other ASLRRRA members are currently deeply engaged in several studies and demonstration projects that will help introduce more innovations to our industry, including demonstrating options for battery-electric locomotives and use of alternative fuels. These efforts are largely limited to yard activities and short haul efforts, as at-scale long-distance, heavy-haul efforts are not yet feasible. We ask that Congress continue to partner with our industry to advance innovative locomotive propulsion technologies, while at the same time not mandating the use of technologies that are not yet mature, or readily (commercially) or affordably available.

Technology Advancing Employee Training: Learning Management System Uses Modern Technologies to Train Remotely

Short lines are using technology for employee safety training and utilizing new training methods such as virtual reality and simulation. In the FY 2020 CRISI cycle, the Iowa Northern Railway Company (IANR) received a \$5.4M grant to provide for the development and deployment of computer-based training courses delivered via a Learning Management System (LMS) as well as in-person training courses offered at the IANR's Training Center, located in Waterloo, Iowa, at the small railroad's location, or another railroad location. This allows short lines to provide training when and where it is needed, rather than sending employees to offsite training, or pausing operations to facilitate training.

The LMS is an online platform/hub, accessible 24–7 to deliver and track industry-specific training and assessments, including cutting-edge virtual reality and interactive online coursework, employee OJT and instructor-led training recordings.

In addition to the LMS platform, a Mobile Technical Training Center equipped with two FRA Type II locomotive simulators plus classroom space for six students and an instructor, and can deliver personalized, instructor-led seminars and locomotive simulator training on location anywhere in the continental US. The simulators feature dozens of generic profiles to match all types of railroad topography can run engineers on simulations that closely resemble railroad's territory, enabling railroads to meet a wide range of training & regulatory requirements, including basic train handling, positive train control, distributed power operations, Part 240 annual check rides, and certification skill performance evaluations.

As of June 2025, nearly 1,100 employees from 24 short line railroads are actively receiving training via the LMS, while more than 150 employees from 19 railroads in 12 states have participated in locomotive simulator and mobile classroom training delivered via the mobile technical training center.

Deploying Digital Onboard Systems to Monitor Locomotives

Short lines are welcoming and deploying technologies that will allow for proactive maintenance, and operational/scheduling adjustments. In the FY 2023/2024 CRISI Grant Cycle, ASLRRRA was awarded \$20.5 million in CRISI funding to support the installation of digital on-board systems on over 600 short line locomotives all around

the country. Most short lines are equipped with older locomotives, acquired second-hand, sometimes 50 years old or even more. These on-board systems will enable these locomotives to be equipped with state-of-the-art features like location tracking, condition health and energy use monitoring, and safety features like forward and rear-facing cameras and event recorders. The cloud back-ends for these systems will enable short line workers and managers to run their trains with many of the same operational awareness and analytics features previously only available to the large Class I railroads. We are pleased to note that FRA is proceeding expeditiously with the review and approval process for this grant.

Allowing exploration of emerging technologies and investing in innovation for short line railroads isn't just about modernization, it's about keeping freight moving efficiently, safely, and sustainably in the face of 21st-century challenges. It's a strategic necessity for a resilient transportation system.

Conclusion

In conclusion, short lines are high-impact investments in underserved areas. They are job creators, safety multipliers, and sustainability drivers. But to remain viable and competitive, we need:

1. Reliable, accessible infrastructure funding, with CRISI at its core.
2. A modern regulatory approach rooted in performance, not outdated prescriptions.
3. Flexibility to innovate, test, and deploy new technologies—safely and efficiently.

Congress's continued support of CRISI, Operation Lifesaver, Section 130, and the Rail Crossing Elimination program is essential to our success. Just as critical is the adoption of a regulatory mindset that prioritizes outcomes over paperwork and embraces innovation as a path to safety.

Investing in short lines is more than a rail policy—it's an economic policy, a safety policy, and a supply chain policy.

Thank you for your leadership and for supporting the short lines and the communities we serve. I look forward to your questions.

APPENDIX

Short Line Railroad CRISI Project Examples

Louisville & Indiana Railroad Clagg Bridge Lift Span Operations Project

Awardee:	Louisville & Indiana Railroad Company (LIRC)
CRISI Grant:	\$6,492,000
Local Match:	\$6,492,000 (50 percent)
Total Project Cost:	\$12,984,000
Senator/State:	Senators Todd Young (R-IN) and Jim Banks (R-IN), Senators Mitch McConnell (R-KY) and Rand Paul (R-KY)

This project will complete sheave, trunnion, and bearing replacements on the Fourteenth Street Bridge over the Ohio River, connecting Louisville, Kentucky, and Clarksville, Indiana at Replacement of these assemblies has become necessary due to the age of the existing components and to replace a failing piece of equipment. The bridge is over 100 years old, and this project will increase the lifespan of the existing structure by a minimum of 50 years.

"Ports of Indiana is fully supportive of the project and is confident that it will have a dramatic impact on improving the long-term safety and efficiency of the railroad's operation. As a statewide port authority, Ports of Indiana depends on robust infrastructure connections by rail, road, river, and the Great Lakes. LIRC provides critical rail service to our Jeffersonville port and many other industries in the area. LIRC's operations are vital to Indiana's economy, and we strongly support its effort to secure funding for this important project."—Jody Peacock, Chief Executive Officer, Ports of Indiana

Chicago South Shore & South Bend Rail Rehabilitation and Safety Improvement Project

Awardee:	Chicago South Shore & South Bend Railroad (CSS)
CRISI Grant:	\$2,831,705
Local Match:	\$707,926 (20 percent)
Total Project Cost:	\$3,539,631
Senator/State:	Senators Todd Young (R-IN) and Jim Banks (R-IN)

This project replaced 7.5 miles of 90-pound rail with 115-pound rail on the Kingsbury Industrial Lead, improving safety associated with the heavier rail, and increasing train speed on a new section of track to improve car cycle times for customers.

“The CRISI project being done by CSS shows a commitment to safety and the growth of CSS customers located between Michigan City and Kingsbury. My company truly appreciates the project to help our company grow.” David Gelwicks, President—Hickman Williams Co.

Booneville Bridge Project

Awardee: Iowa Interstate Railroad (IAIS)
CRISI Grant: \$3,470,500
Local Match: \$3,470,500 (50 percent)
Total Project Cost: \$6,941,000
Senator/State: Senators Chuck Grassley (R-IA) and Joni Ernst (R-IA)

This project replaces the 118-year-old Booneville Bridge over the Raccoon River, approximately 15 miles west of Des Moines. This bridge carries over 42,000 carloads per year on the Class II Iowa Interstate Railroad’s (IAIS) Council Bluffs, Iowa, to Chicago, Illinois service. The bridge was in danger of being put out of service in the near future under previous conditions, which would have resulted in costly and inefficient rerouting of traffic and economic disruption in Nebraska, Iowa, Illinois, and points beyond. The new bridge will be able to withstand increasingly common flooding events. A video of the completed project is available [here](#).

“The majority of the 8,000 carloads we ship go over that bridge and if that infrastructure was out, it would have a multi-million impact on the efficiency and cost-competitiveness of our business.”— Nick Bowdish, CEO Elite Octane

IAIS Continuous Welded Rail Upgrade

Awardee: Iowa Interstate Railroad (IAIS)
CRISI Grant: \$5,579,357
Local Match: \$6,291,615 (53 percent)
Total Project Cost: \$11,870,972
Senators/State: Senators Chuck Grassley (R-IA) and Joni Ernst (R-IA)

This is a capstone project to complete the replacement of jointed rail with modern continuous welded rail (CWR) on the IAIS between Council Bluffs and Des Moines, Iowa. The upgrade will replace the last 18.95 miles of jointed rail with CWR and allow for track speeds of 40 to 49 mph. As freight traffic grows on IAIS, the remaining 1950s-era Rock Island Railroad legacy jointed rail decreases the reliability and resiliency of the line by requiring slower speeds. Jointed rail has the propensity to have joint failures during Iowa’s harsh winters, creating hazards for maintenance-of-way employees and train crews. Replacing jointed rail will increase safety, lower maintenance costs, increase rail resiliency, and improve system and service performance by increasing train speeds. The project will allow IAIS to meet future freight demand for Nebraska, Iowa, and Illinois farmers, manufacturers, and ethanol refineries.

“Jointed rail on the IAIS mainline creates higher maintenance costs and leads to slower operating speeds and lower efficiency between Omaha and Des Moines for rail customers like my company. Replacing this rail will lead to a more resilient railroad which is important for the Iowa economy, and for the success of our business. Our business has made a sizeable investment in an ethanol plant where its viability is solely dependent on the long-term sustainability of the Iowa Interstate Railroad.”— Ryan Pellett, C.E.O., JD & Co.

Infrastructure Enhancement Program for Lake State Railway’s Huron Subdivision

Awardee: Lake State Railway (LSRC)
CRISI Grant: \$7,875,770
Local Match: \$8,197,230 (51 percent)
Total Project Cost: \$16,073,000
Senators/State: Senators Gary Peters (D-MI) and Elissa Slotkin (D-MI)

This project rehabilitated 30.3 miles of track with 115-pound continuous welded rail, tie and turnout renewal and crossing rehabilitation. It allowed for elimination of 23.8 miles of excepted track which resulted in increased speed from 10 to 25 mph and the upgrade of 6 miles from 25 mph to 40 mph. These improvements allowed for the full use of the heavier 286,000-pound railcars required by LSRC customers

and Class I railroad interchange partners. The elimination of the aging and lighter 85-pound rail enhanced safety along the entire segment.

“Lake State Railway’s service to our facility has allowed our operation to be cost competitive despite our remote location in relation to the majority of our customers and suppliers. The CRISI grant has allowed us to increase the railcar load capacity associated with the heavier 286-lb. railcars, reducing our cost and helping ensure our long-term success.”—Jim Spens, Plant Manager Panel Processing, Inc.

South Carolina Piedmont Freight Rail Service Improvement Program

Awardee: Lancaster & Chester Railroad (L&C)
CRISI Grant: \$8,752,185
Local Match: \$4,712,715 (35 percent)
Total Project Cost: \$13,465,900
Senators/State: Senators Lindsey Graham (R–SC) and Tim Scott (R–SC)

This project provided funding for the acquisition of three EPA Tier 4 locomotives, the rehabilitation of 46 miles of track and one bridge upgrade to allow for the handling of 286,000-pound railcars. The project increased track speed from 10 mph to 25 mph, gave customers the ability to utilize 286,000-pound railcars and decreased locomotive emissions. The upgraded track resulted in the railroad attracting three new customers to the line.

“Over the last 11 years, Chester County has attracted over \$3 billion in new industrial development creating almost 4,000 new jobs. This massive amount of opportunity is a direct result of having the short line L&C railroad as our partner.”—Alex Oliphant, City Council Member, Chester County, South Carolina

NDW Safety Upgrade in Opportunity Zones Project

Awardee: Napoleon, Defiance & Western (NDW)
Grantee: Ohio Rail Development Corporation
CRISI Grant: \$4,112,452
Local Match: \$4,112,452 (50 percent)
Total Project Cost: \$8,224,904
Senators/States: Senators Todd Young (R–IN) and Jim Banks (R–IN–03), Senators Bernie Moreno (R–OH) and Jon Husted (R–OH)

This project upgraded approximately 10 miles of 80-pound rail with 132 to 136-pound rail and replaced approximately 29,000 ties on 29 miles of rail between Woodburn, Indiana and Defiance, Ohio. The project was required to reduce the number of derailments previously occurring on this segment. A video overview of the project may be viewed [here](#).

“The NDW provides transportation for our tomato paste from California to our facility saving us a lot of time and money versus going over the road. The rehabilitation also offers us new opportunities to move more materials by rail.”—Gavin Serrao, Cambell’s Soup Logistics Manager, Napoleon, OH.

“This has been a railroad that’s needed a lot of investment for a long time. Every State DOT knows there are these railroads that can be so much more for the local economy than they are now and NDW brought the professionalism, the expertise, and the financial resources to make this project possible.”—Matt Dietrich, Ex. Dir. Ohio Rail Development Commission

Velocity Enhanced Rail Transportation Project

Awardee: Nebraska Kansas Colorado Railway (NKCR)
CRISI Grant: \$4,505,542
Local Match: \$4,505,542 (50 percent)
Total Project Cost: \$9,011,084
Senators/State: Senators Michael Bennet (D–CO) and John Hickenlooper (D–CO)

This project installed approximately 42,595 ties, 15,990 tons of ballast, and resurfaced 562,848 track feet on the NKCR in western Nebraska and eastern Colorado. The project allows for removal of slow orders on approximately 106 miles of track and restores efficient operating speeds over most of the line. The improvements reduced overall trip times along the corridor by a minimum of four hours and reduced operating costs by reducing locomotive utilization and allowing crews to make a round-trip along the line within one day.

“The Velocity project will be a major rehabilitation of the freight rail line from Sterling, CO, to Wallace, NE, focused on removing slow orders where track conditions force trains to slow to a crawl. This line is the only rail connection for many

agricultural customers in western Nebraska and eastern Colorado.”—U.S. Senator Deb Fischer (R–NE)

Transportation Investments for Employment and Safety (TIES1)

Awardee:	OmniTRAX Holdings Combined Short Lines
CRISI Grant:	\$37,364,504
Local Match:	\$9,341,126 (20 percent)
Total Project Cost:	\$46,705,630
Senators/State:	Jon Ossoff (D–GA) and Raphael Warnock (D–GA)

This project replaced approximately 1,000 railroad ties per mile on 135 high-density track miles on three OmniTRAX short line railroads—Illinois Railway, Alabama & Tennessee River Railway, and Georgia & Florida Railway—which will help sustain current FRA track safety standards and maintain current timetable speeds. The project is estimated to reduce track-related accidents by 67 percent, saving \$11 million in losses, reduce locomotive utilization by 186,000 hours, eliminate 27 tons of NO_x, 1 ton of PM_{2.5} and 4.5 tons of SO₂. The project eliminates the need for 16 subsequent tie spot replacement mobilizations, saving \$43 million.

“Covia Holdings is a major supplier of elemental raw materials used in a variety of industries, including glass production and housing construction. The majority of shipments to Covia’s customers throughout the U.S. are handled by railroads such as those managed by OmniTrax Rail Holdings. Covia supports the TIES Project [and] reasonably believes that TIES will improve safety on the Illinois Railway (IR) by replacing a simple yet essential element of safe railroad infrastructure: the wooden railroad tie. The IR’s ability to service Covia’s plants, uninterrupted, in Illinois is fundamental to Covia’s daily operations.” Russell Montgomery, EVP/COO, Covia Holdings LLC

Rural Economic Preservation Through Rail Replacement

Awardee:	Red River Valley & Western Railroad
CRISI Grant:	\$6,704,544
Local Match	\$2,915,234 (30.3 percent)
Total Project Cost:	\$9,620,778
Senators/State:	Senators John Hoeven (R–ND) and Kevin Cramer (R–ND)

The Red River Valley & Western serves the southeast corner of the state of North Dakota, linking numerous rural agricultural shippers with the national rail system. The project replaced 14.5 miles of old jointed rail with continuous welded rail between Independence and Oakes, North Dakota.

The project has resulted in a safer, dependable rail system that will maintain economic competitiveness for current shippers and provides the capacity to meet the anticipated future demand with climate shifts pushing the grain industry and growing conditions northward.

“North Dakota is heavily reliant on railroads for the shipment of bulk commodities from our rural communities to their distant final destinations. A large portion of the grains produced in North Dakota are shipped over 1,200 miles by rail to Pacific Northwest port facilities at Seattle and Portland. North Dakota is therefore keenly interested in a safe, efficient, and reliable railroad network to provide value to the thousands of tons of bulk agricultural and energy products produced each year in our state. Preserving this vital rail network is essential for the economic development and sustenance in the rural communities served by short lines.”—Commissioners Fedorchak, Kroshus, and Christmann, North Dakota Public Service Commission

Sierra Northern Railway’s Consolidated Rail Infrastructure and Safety Improvement

Awardee:	Sierra Northern Railroad (SERA)
CRISI Grant:	\$17,415,000
Local Match	\$18,300,000 (51.3 percent)
Total Project Cost:	\$35,700,000
Senator/State:	Senators Alex Padilla (D–CA) and Adam Schiff (D–CA)

Sierra Northern Railway (SERA) was challenged to add and manage current customers along the 55-mile-long Oakdale Division excepted track, built in 1897, servicing Riverbank, California in the Central Valley to Standard, California in the Sierra Nevada foothills. As excepted track, freight could move at no more than 10 mph along the route, taking 5 hours to transport freight from one end to the other. The project included replacing 20 miles of track with 115-pound rail, 90,000 railroad ties, and rehabilitating ten grade crossings. The CRISI Grant transformed the operation, adding a 116-acre transload site for building manifest unit trans without

causing gridlock along the active line, and improving delivery time from end to end by 250 percent. The increased throughput has enabled SERA to:

- Quadruple carload business
- Add new customers, such as a new grain shipper
- Reduce derailments
- Provide 30 new railroad jobs in the area
- Improve grade crossings and increased speed led to less time blocking the motoring public
- Took an estimated 5,000 trucks of propane off local highways in year one

A video overview of project is available *here*. [<https://www.youtube.com/watch?v=2j8ulXpa1A0>]

“The project began in 2019 and was completed a year and a half later. It has achieved everything we had anticipated, and more for the region. It has allowed the Sierra Northern to dramatically increase carloads by better serving current customers, and by attracting new business to rail. We are especially proud of how this project has served our local community—taking trucks off the road, especially on narrow mountain roads, reducing time spent at railroad crossings, and providing more well-paying railroad jobs in our region.”—Ken Beard, President, Sierra Northern Railway

Harwood Interchange Improvement Project

Awardee:	Texas, Gonzales & Northern Railway (TXGN)
CRISI Grant:	\$2,223,768
Local Match:	\$2,223,768 (50 percent)
Total Project Cost:	\$4,447,536
Senator/State:	Senators John Cornyn (R–TX) and Ted Cruz (R–TX)

This project extended the siding at the interchange with the Union Pacific Railroad (UP) to 9,000 feet. The construction project included installing welded rail, steel ties, new modern power switches and the replacement of two aging wooden trestles with concrete culverts enhanced drainage. The purpose of the project was to enhance capacity, improve service, enhance safe operations, and help relieve highway congestion by moving shipments from truck to rail.

The project has allowed TXGN to accommodate UP’s unit train traffic simultaneously with our carload traffic, which allowed for double capacity at interchange and a more fluid handoff with UP. Prior to the CRISI project completion, UP could deliver only one of those trains while then waiting on TXGN to clear the interchange before a second train could arrive. The increased operating capacity has saved customers up to 24 hours of transit time. The expanded capacity has allowed TXGN to attract two new storage customers, and annual carloads have increased from 3,726 in the year prior to the project to 4,634 carloads in the first year following project completion, a 24 percent increase. Most recently TXGN attracted a new major company that has just announced that they are building a new facility on the TXGN and will increase carloads by 700 annually.

Livestock Nutrition Center (LNC) is a leading feed manufacturing and grain handling company with facilities in 5 southwestern states, including a facility on the TXGN.

“The TXGN CRISI Grant Interchange Project has been a game-changer for our operations at Livestock Nutrition Center. By enabling the seamless handling of Unit Trains, this project has significantly improved the efficiency of our railcar traffic and opened the door for potential Unit Train movements into TXGN Railway. Without the enhancements brought by this project, we wouldn’t have the opportunity to consider expanding our location. This improvement has not only reduced turnaround times for our railcars, improving utilization and operational efficiency, but it has also positioned us to better serve our customers and explore new growth opportunities. We are truly grateful for the partnership with TXGN Railway and the commitment they have shown to helping businesses like ours thrive.”—Maurice Janda, Fulfillment Manager, LNC

Joint Elimination—Rail Infrastructure and Safety Improvement

Awardee:	Twin Cities & Western Railroad Company (TCWR)
CRISI Grant:	\$2,000,839
Local Match	\$2,000,839 (50 percent)
Total Project Cost:	\$4,001,678

Senators/State: Senators Amy Klobuchar (D–MN) and Tina Smith (D–MN)

The Twin Cities & Western Railroad upgraded 1.3 miles of track with slow orders—a local speed restriction imposed that is slower than the track’s normal speed limit due to deficient track to high-speed welded rail. The replacement resulted in significantly improved safety, as measured by decreased year-over-year rail defects found via ultrasonic tests from 106 defects in 2017 to 48 defects in 2020 (after project). The upgraded rail also reduced annual crosstie replacement from 20,000 required in 2019, to 17,000 by 2021.

For customers, the improved quality of the rail has contributed to a decrease in shipping time, decreases in delays due to mainline derailments, and maintaining efficient pricing due to decreased maintenance costs.

Subsequent CRISI grants in FY 20 and FY 21 replaced rail on an additional 2 and 1 miles of track respectively, leading to an overall reduction in point-to-point shipping time of 56 percent across the 3 miles, and a further reduction in tie replacement needs of 30 percent, to 12,000 ties per year.

“The Twin Cities & Western Railroad is a vital east-west railway that carries over 30,000 freight cars annually throughout south-central and western Minnesota. Its rail lines are essential to the local and regional economy, connecting countless businesses and farmers to their commercial needs. Not only would these improvements ensure that our railways are safer and more reliable, but they would also minimize transportation costs for businesses, enhance Minnesota’s economic competitiveness, support the regional supply chain and reduce the need for future maintenance and repairs. Completing these updates would support the needs of countless Minnesotans by improving and modernizing the regional rail network.” Senator Amy Klobuchar, Unites States Senator, Minnesota

“Rail is one of the primary arteries of Minnesota commerce. This investment in the Twin Cities & Western Railroad Company will increase service, while also ensuring the safety of all those who live in communities along these vital transportation routes.”—Representative Tom Emmer (MN–06)

Senator YOUNG. Thank you, Mr. Gilbertson. Mr. Cumber, you are now recognized for 5 minutes.

**STATEMENT OF HUSEIN A. CUMBER, SENIOR ADVISOR,
BRIGHTLINE HOLDINGS, LLC**

Mr. CUMBER. Thank you, Chairman Young, Ranking Member Peters, Senator Moreno, and other members of the Subcommittee.

As Senior Advisor of Brightline Holdings, and one of the people who developed the vision for this company, I am honored to be here to highlight the achievements of Brightline Florida and Brightline West, discuss the future of passenger rail service, identify challenges facing the development of additional passenger rail systems in America, and share some potential solutions.

Brightline Florida is the only private passenger rail system in the country constructed in the last 100 years. Building upon important lessons from Florida, we are now developing Brightline West, which will connect Southern California and Las Vegas. Brightline Florida started it as an idea in 2011.

As we looked at successful passenger rail systems globally, it became clear that a 250 to 300 mile corridor was the ideal length. This distance connects city pairs that what we call are too far to drive, but too close to fly. To date, we have invested more than \$6 billion of private capital in Brightline Florida.

Our six stations will soon be joined by two new stations in communities where local elected officials have recognized the advantage of being connected to our rail system. Our Florida system also includes 10 American made train sets. Looking back over our history, we now recognize lessons learned from several challenges that all projects of this scale must overcome to be successful.

First, privately developed intercity passenger rail projects would benefit from being directly eligible for USDOT and Federal Railroad Administration discretionary grants. The industry also would benefit from a more streamlined discretionary grant process. Two, cost-effective access to right of way is essential. Third, completion of environmental approvals in a timely manner.

And fourth, access to low cost debt is required to build greenfield, first of its kind projects. The Senate Commerce Committee has recognized that all modes of transportation need to be supported through discretionary grant programs. Effective grant oversight requires direct engagement with the entity implementing a project. The CRISI Grant Program is the only one that allows private companies to apply for Federal funding as a prime recipient.

Under other FRA and USDOT grant programs, private companies can still receive funds but must do so through a public intermediary. In this scenario, the public entity passes through the funds and reporting obligations.

This unnecessary additional layer can compromise the effectiveness of USDOT monitoring, reporting, and audit procedures. Many public entities will simply refuse to sit between USDOT and a private company implementing a major greenfield project like high speed rail.

At minimum, the Fed-State Partnership Program's applicant eligibility language should match that of the CRISI program. In an ideal scenario, all USDOT discretionary grant programs should have their applicant eligibility language harmonized.

Additionally, the Subcommittee should look at consolidating some or all of the FRA discretionary grant programs into a combined calendar. This consolidation would streamline the entire FRA grant process by eliminating the need to continuously issue notice of funding opportunities, review grant submissions, and negotiate grant agreements continuously throughout the year.

The use of existing transportation corridors is fundamental to our business thesis. Reexamination of the permitting and approval process is an opportunity for improvement. Two changes that would create a more efficient process are first to provide additional NEPA delegation authority to states for passenger rail projects. And two, to provide USDOT clear authority for issuing categorical exclusions for infrastructure projects that are constructed in an existing transportation corridor.

Accessing significant capital to support the cost and the lengthy construction schedule of new infrastructure projects remains a key challenge. We successfully utilized the private activity bond market as our primary capital source, and it proved to be successful. Increase in the private activity bond cap in the Transportation Reauth bill from \$30 billion to \$45 billion is necessary, not just for rail projects, but managed lanes and other surface transportation projects.

In addition to private activity bonds, the Railroad Rehabilitation Infrastructure Financing Program has tremendous potential to unlock private sector capital for infrastructure. There should be a process whereby RIF is more streamlined if an equal amount of the capital stack includes private sector equity and debt from qualified financial institutions.

I would be remiss if I did not reinforce the importance of maintaining, if not increasing, the funding levels for rail discretionary grant programs. I want to end by inviting you all to come to Florida and take a ride to see what we have built.

I am proud of the more than 600 teammates at Brightline Florida that have built a product that is leading a passenger rail renaissance in America. Thank you, and I look forward to your questions.

[The prepared statement of Mr. Cumber follows:]

PREPARED STATEMENT OF HUSEIN A. CUMBER, SENIOR ADVISOR,
BRIGHTLINE HOLDINGS, LLC

Thank you, Mr. Chairman, Ranking Member, and members of the Subcommittee. As Senior Advisor of Brightline Holdings, LLC and one of the people who developed the vision for this company in mid-2011, I am honored to be here to highlight the achievements of Brightline Florida and Brightline West, discuss the future of passenger rail service in the U.S., identify challenges facing the development of additional high-speed and intercity passenger rail systems in America, and potential solutions.

One of the biggest challenges of any infrastructure project is putting together the necessary rights-of-way. In my prior role as an executive at Florida East Coast Railway, we granted a perpetual passenger rail easement to a sister company that could then develop or sell rights for future commuter and intercity passenger rail systems. This sister company ultimately became Brightline Florida and initially owned the access rights to operate passenger rail from downtown Miami to Cocoa, Florida (a location proximate to Kennedy Space Center and Port Canaveral), but was missing right-of-way between Cocoa and Orlando International Airport to complete the system. These two locations are connected by a state transportation corridor. In 2012, Governor Rick Scott and the Florida Department of Transportation entered into a lease agreement with Brightline Florida to complete the 235-mile corridor. Hence, Brightline Florida was born overcoming a major challenge—a continuous right-of-way.

Over the past decade, Brightline Florida has been the only private passenger rail system in the country to construct and operate a modern, consumer-focused service that connects cities with characteristics essential for successful rail operations. Building upon important lessons from Florida, we are now developing Brightline West, which will connect Southern California and Las Vegas.

Both projects represent a model where the private sector plays a lead role in establishing a blueprint for how our Nation can build intercity passenger rail, while at the same time stimulating a new industrial base that will reverberate across the country, driving economic growth, creating jobs, and setting a new standard for passenger rail travel in America.

As mentioned earlier, Brightline Florida started as an idea in 2011. As we looked at successful passenger rail systems globally it became clear that a 250-to 300-mile corridor was the ideal length. This distance connects city pairs that are too far to drive but too close to fly. In the U.S., with the notable exception of the Northeast Corridor's Acela service introduced in 2000, this model was discussed but never implemented until Brightline Florida. Miami to Orlando presented the perfect opportunity to introduce rail service in a region of the country that was experiencing a positive population shift, but continued to be challenged with a congested transportation system. With the benefit of a head start afforded by the perpetual passenger rail easement, we set a new bar for innovation in passenger rail transportation.

To date, we have invested more than \$6 billion of private capital across the 235 miles from Miami to Orlando. Our initial stations are located in Miami, Aventura, Fort Lauderdale, Boca Raton, West Palm Beach and Orlando International Airport and will soon be joined by stations in Martin County and Cocoa. Our Florida system also includes two vehicle maintenance facilities, ten American-made trainsets, and employs more than 600 teammates. We represent an alternative to driving on Interstate 95, which is one of the most congested roadways in the country, especially in South Florida.¹

In September 2023, we opened our newest station at the Orlando International Airport and began offering daily, hourly service between South Florida and Central

¹<https://siteteselection.com/congestion-capitals/>

Florida. In 2024, our first full year of service between our terminal stations, we carried nearly 3 million passengers. Our ridership continues to grow, with record monthly ridership occurring throughout 2025, and we expect to eventually carry over 600,000 monthly passengers as the business reaches its full potential.

Looking back over our history, we now recognize lessons learned from several challenges that all projects of this scale must overcome to be successful.

1. Privately developed intercity passenger rail projects would benefit from being directly eligible for USDOT and Federal Railroad Administration (FRA) discretionary grants. The industry at large would benefit from a more streamlined discretionary grant program.
2. Cost-effective access to right-of-way is essential.
3. Completion of environmental approvals in a timely manner to meet the demands of early financial investors is critical.
4. Access to low-cost debt is required to build a financially sustainable business model for greenfield, first-of-its-kind projects.
5. Shifting people out of their car-centric mindset requires redefining the passenger rail experience in the U.S.

Given my experience guiding both Brightline Florida and Brightline West from initial concept, it is clear that this Subcommittee can make significant impacts during the upcoming transportation reauthorization process.

Building on Existing USDOT and FRA Grant Programs

The U.S. Senate Committee on Commerce, Science & Transportation has recognized that all modes of transportation need to be supported through discretionary grant programs. Effective grant oversight requires direct engagement with the entity implementing a project. Consolidated Rail Infrastructure and Safety Improvements (CRISI) is the only grant program that allows private companies to apply for Federal funding as a prime recipient (*i.e.*, without a public sector partner). This direct eligibility for CRISI funding comes with a relationship of direct oversight from the FRA. Under other FRA and USDOT grant programs, private companies can still receive funds but must do so through an intermediary: a public entity that serves as the primary applicant. In this scenario, the public entity passes through the funds and reporting obligations. This unnecessary, additional layer can compromise the effectiveness of USDOT monitoring, reporting, and audit procedures, in addition to increasing project risk, cost, and delays.

Many public entities will simply refuse to sit between USDOT and a private company implementing a major greenfield project like high-speed rail. At minimum, the Federal-State Partnership for Intercity Passenger Rail (FSP) grant program's applicant eligibility language should match that of the CRISI program. In an ideal scenario, all USDOT discretionary grant programs should have their applicant eligibility language harmonized. Making this change will allow future intercity passenger rail projects to be implemented without putting elected officials in the difficult political situation of having their state DOTs or other public agencies take on unnecessary risk.

Additionally, the Subcommittee should look at consolidating some or all of the FRA discretionary grant programs into a combined calendar. This consolidation would streamline the entire FRA grant process by eliminating the need to continually issue Notice of Funding Opportunities (NOFO), review grant submissions, and negotiate grant agreements continuously throughout the year. The goal should be to get infrastructure dollars to grant recipients as quickly as possible so the funds can be spent. This goal is hard to achieve when the FRA must oversee multiple grant programs every year on different schedules. This change to the grant programs would also reduce the human and financial capital needed to apply for discretionary grants. For example, issue all the NOFOs in the first quarter, review the grant applications in the second quarter, make all grant announcements in the third quarter and negotiate grant agreements in the fourth quarter.

Utilization of Existing Transportation Corridors

The use of existing transportation corridors is fundamental to our business thesis. I mentioned how the first major challenge for any infrastructure project is putting together a right-of-way. The utilization of existing transportation corridors is a common-sense approach to assembling an end-to-end corridor. Assembling a greenfield right-of-way is simply too difficult, can take too long, and cost too much, typically requiring eminent domain. This process can create headwinds from the start and engender negative perceptions among the very people you want to convince to be your future customers.

Leveraging existing infrastructure dramatically reduces land acquisition costs, minimizes environmental impacts, and accelerates construction and development timelines. Moreover, many governmental entities maintain control of extensive transportation corridors across the country. The cooperation of public and private sectors to leverage these assets facilitated a significant breakthrough for us and has become one of our most important lessons learned.

In fact, Brightline West's alignment is almost entirely within the median of Interstate 15. This configuration is the result of cooperation among the Nevada Department of Transportation (NDOT), Caltrans, the San Bernardino County Transportation Authority and the Department of the Interior's Bureau of Land Management. Agreements reached through this cooperation created the approximately 220-mile rail corridor. These public entities recognized the advantage of using a highway corridor, first opened to traffic in the 1960s, as an opportunity to introduce the first true high speed rail system in America.

Permitting and Approvals

In Florida, we built our system in two phases. Initially we developed a 67-mile segment from Miami to West Palm Beach and then followed that with an additional 168-mile segment to Orlando four years later.

We made this a two-step process because of two real time challenges: (1) the complexities of the environmental approval process, and (2) the ability to raise the capital required for the development and construction phases.

Our first 67 miles existed entirely within an active freight railroad corridor allowing us to expedite the required environmental process. In the end, we received a Finding of No Significant Impact. However, because the Cocoa to Central Florida segment ran along the state highway system and was new rail construction, this segment required a more extensive, multi-year environmental process despite being an active transportation corridor.

While the South Florida system had "independent utility," the extension to Orlando was needed to guarantee long-term financial success for Brightline Florida. We were faced with the difficult decision of whether to delay advancing construction on the entire system for a protracted and unpredictable period while the environmental process for the Orlando segment progressed or take a more proactive posture and build the first operating segment immediately upon approval, and then extend the system once the second environmental process was completed.

To be sure, efficiencies in the environmental process represent enormous opportunities for time and cost savings that can change the course of the viability of these kinds of infrastructure investments. It is vital for moving passenger rail projects forward that this Subcommittee, working with colleagues on the Senate Committee on Environment and Public Works, develop a more efficient environmental approval process. Two changes that would create a more efficient process are (1) to provide additional NEPA delegation authority to states for passenger rail projects, and (2) to provide USDOT clear authority for issuing Categorical Exclusions for infrastructure projects that are constructed in an existing transportation corridor.

Access to Capital

Accessing significant capital to support the cost and the lengthy construction schedule of new infrastructure projects remains a key challenge. As a privately funded project, and the first of its kind in over a century, Brightline Florida had to finance the project in increments as opposed to fully capitalizing the company upfront. This was a strategy based on necessity rather than cost-efficiency. We successfully utilized the Private Activity Bond market as our primary capital source, and it proved to be successful. The availability and lower cost of tax-exempt debt was essential to our ability to succeed.

In addition to Private Activity Bonds, the Railroad Rehabilitation and Infrastructure Financing (RRIF) program has tremendous potential to unlock private sector capital for major infrastructure projects. RRIF today can fund up to 100 percent of a project's cost. There should be a process whereby the RRIF loan process is more streamlined if an equal amount of the capital stack includes private sector equity and debt from qualified financial institutions. We look forward to working with the Subcommittee during the transportation reauthorization process to improve the RRIF loan program.

Customer Focus

Our ultimate success is due to our teammates delivering an experience that resonates with modern travelers. Our customer satisfaction ratings show that people are embracing the product. On time performance and train frequency have been key metrics in our ramp-up period. And through data-driven marketing strategies, including social media and partnerships across multiple verticals such as airlines, ho-

tels, sports and entertainment, real estate, fintech, and cruise lines, Brightline has built strong consumer engagement.

Brightline Florida is a success and provides a roadmap for the future. That future is Brightline West, America's first true high-speed rail system.

Let me emphasize that point. Today, the United States has ZERO miles of true high-speed rail, which is commonly defined as systems traveling over 186 mph. By comparison, China has approximately 29,000 miles of high-speed rail, making it by far the world's largest network. Japan has about 1,800 miles of high-speed rail, primarily through its Shinkansen system which began operation in 1964 and Europe's network totals roughly 7,500 miles across 11 linked countries.

Brightline West will connect Las Vegas and Southern California with the first passenger train in the country operating at over 200 miles per hour. This all-electric rail service will include a flagship station in Las Vegas, with additional California stations in Apple Valley, Hesperia, and Rancho Cucamonga. Trains will take passengers from Las Vegas to Southern California in approximately 2 hours, twice as fast as the normal drive-time. The Southern California station will connect to Los Angeles' Metrolink service, creating a network for seamless rail connectivity into LA's Union Station.

Today, nearly 50 million annual trips occur between Los Angeles and Las Vegas—over 85 percent of them by car—a trip which is unpredictable, unreliable, and challenged by congestion.

Brightline West expects to serve nearly 9 million one-way passengers annually. As noted, this project, which is in the final stages of contracting, has fully assembled right-of way, and full environmental clearance. The project has a four-year construction timeline.

The project is one of the largest in the Nation and will be constructed entirely as a Buy America initiative, built and operated by union labor. In 2023 we announced a landmark partnership with 13 rail unions representing more than 160,000 railroad workers in the United States. This agreement represents a historic milestone establishing a commitment for the use of highly skilled union labor to operate our business. In addition, the State Building and Construction Trades Council of California (SBCTC), and the Southern Nevada Building Trades Union signed an agreement with our team to ensure their participation in the project's construction.

Independent economic studies estimate that the project will create 35,000 indirect jobs and 10,000 direct jobs during construction.

The trains will be manufactured by Siemens Mobility in a new purpose-built factory. This facility alone will create 300 new jobs and is a tremendous example of the economic impact that will be felt all around the country as the ripple effect of a new supply chain will include more than 120 vendors from 28 states.

For Brightline West, the introduction of new high-speed technology and an entirely new infrastructure base comes with higher capital costs than our Florida system and is therefore proud to be supported with Federal grant assistance to offset some of the upfront capital costs of the project. This Federal grant will be supported by private activity bonds, debt, and additional private equity.

As for what can be done to continue to encourage growth in this sector, let me return to the challenges discussed earlier.

Re-examination of the permitting and approval process is an opportunity for improvement. We would encourage this Subcommittee and the FRA to identify ways to streamline and reduce the amount of time and investment it takes to proceed within existing laws and regulatory frameworks. Simply put, the environmental process takes too long, costs too much, and involves a series of hurdles and a wide range of approvals at every level of government. While we appreciate the diligence of officials in protecting the public, we must refine the process for this industry to thrive. Ensuring a robust environmental process does not have to come at the expense of efficiency. The process can be both efficient and sufficient to ensure the public is protected.

Massive investments needed for high-speed rail projects require cost-efficient, long-term capital, and there are ways this subcommittee may be able to assist with overcoming this challenge. Continued support of Private Activity Bonds is critical to the capital needs of these projects. Private Activity Bonds attract private lenders willing to accept lower rates on bonds because of their tax-exempt status and those lower rates reduce the cost of capital to the developer. The savings on interest expense can be redirected into hard assets. Any deferred tax revenue is made up many times over as the invested money is put to work in the economy. We have proven the markets are receptive to these investments, and future projects will need access to lower debt costs from this program.

Previously, the Bipartisan Infrastructure Law increased the Private Activity Bond volume cap from \$15 billion to \$30 billion. Unfortunately, the USDOT has nearly

reached that cap necessitating an increase to the cap of up to \$45 billion. While this issue falls under the jurisdiction of the Senate Finance Committee, this Subcommittee and its staff can effectively advocate to increase the surface transportation Private Activity Bond volume cap.

LIABILITY CHALLENGE FACING THE PASSENGER RAIL INDUSTRY

One of the biggest challenges currently facing the passenger rail industry is the proposed increase in the amount of the limitation (or cap) on rail passenger liability which was initially enacted as part of the 1997 Amtrak Reform and Accountability Act. This cap was incorporated into the Fixing America's Surface Transportation ("FAST Act"), the five-year surface transportation bill, in December 2015. The cap increased from \$200 million (the original cap in 1997) to approximately \$295 million. The cap was also indexed to inflation and is to be adjusted every five years.

The index methodology ensures that the aggregate allowable awards to all rail passengers, against all defendants, for all claims, including punitive damages, arising from a single accident or incident is based on current dollars adjusted for inflation. Today the cap is \$323,000,000. The cap is scheduled to be adjusted again in the first quarter of 2026. With the consumer price index as the sole determinant of the adjustment, it is anticipated there will be a very significant increase in the cap. The cap is likely to rise to approximately \$400 million.

There is a time-frame mandated in law that provides for an adjustment to the Federal cap on liability and, historically, the time frame for the increase to become effective was 30 days from the date the law was amended. The 30-day period is insufficient for all passenger railroads nationwide to secure additional coverage. The industry is asking for a legislative change that will adjust the effective date from 30 to up to 365 days. It will also reduce the review period from every five years to every four years, thus maintaining a five-year cycle for the adjustment.

The process of securing all liability insurance coverage is quite complex and requires a period far more than 30 days to complete. It is customarily a process that requires a minimum of six months. Currently all passenger rail agencies, including Amtrak and Brightline, are required, due to the availability of coverage, to procure the majority of their coverage from overseas insurers. There is no single insurance company that is willing to fully insure a passenger railroad for a potentially catastrophic event.

Passenger rail systems like Brightline have renewal dates spread across the calendar, so everyone is not seeking coverage simultaneously. The proposed increase in the passenger liability cap, and the 30-day implementation date, will create a set of circumstances that will be very detrimental to passenger railroads and only benefit the excess rail liability insurers. Passenger railroads will be beholden to the pricing and terms set forth by the insurers.

There should also be a conversation about resetting the cap since it has not been adjusted since positive train control was mandated by the U.S. Congress. This technology has had a significant positive effect on safety across the rail system. The safety benefits should be reflected in the cap being adjusted downward. This would be a one-time reduction, then the adjustment would continue every five years as mandated today.

At Minimum Maintain Discretionary Grant Funding Levels for Rail

I would be remiss if I did not reinforce the importance of maintaining, if not increasing, the funding levels for rail discretionary grant programs. I have already mentioned reasons why through the Brightline examples. I want to also mention my involvement with Transtar, the short line rail network that was a former subsidiary of U.S. Steel and continues to provide freight rail service to many of their plants. Given the news this past week regarding the Trump Administration facilitating a final agreement between U.S. Steel and Nippon Steel, our attention will now focus on ensuring that the necessary rail infrastructure exists to support the direct foreign investments that will be made in steel plants across America. Transtar stands ready to meet the needs of America's steel industry and the FRA discretionary grant programs will be vital to making sure that our short line railroads are in a state of good repair.

The importance of the timing of today's hearing is not lost on anyone in the passenger and freight rail industry. The current transportation reauthorization bill ends on September 30, 2026. I am hopeful that this hearing will lay the groundwork for a bipartisan spirit that will lead to an infrastructure bill by the time the current bill expires. Because, simply put, infrastructure built today is cheaper than infrastructure built tomorrow.

To conclude, I invite you all to come to Florida and take a ride to see what we have built! I am proud of the more than 600 teammates at Brightline Florida that

have built a product that is leading a passenger rail renaissance in America. They have redefined train travel. And each one of them is up to the challenge of unlocking the full potential of high-speed rail in America.

Thank you, and I look forward to your questions.

Senator YOUNG. Thank you, Mr. Cumber. I think you will have many takers in visiting Florida among those listening. Mr. Anthony, you are recognized for 5 minutes.

STATEMENT OF CLARENCE E. ANTHONY, CEO AND EXECUTIVE DIRECTOR, NATIONAL LEAGUE OF CITIES, AND FORMER MAYOR OF SOUTH BAY, FLORIDA

Mr. ANTHONY. Thank you, Chairman Young, Ranking Member, and members of the Committee. I am here today on behalf of the Nation's more than 12,000 cities, towns, and villages that have tracks running through their neighborhoods and their downtowns.

I would like to begin today by putting safety first and thanking this committee for your leadership on safety programs in the IIJA that are saving American lives every day. The new Rail Crossing Elimination Grants and the Safe Streets Grants, both championed in this committee, are being put to work in communities of every size in America, and the results are clear.

Traffic deaths and rail incidents are finally trending down. So let's keep up these essential safety efforts in the reauthorization ahead of us. The National League of Cities believes national rail investments are on track, but we need to keep up the momentum.

This means investing in the corridors we serve today and identified in the Corridor ID Program. With the certainty of advanced appropriations, capital investment in passenger rail service in the U.S. is showing great gains. Amtrak had its best year yet in 2024, with more capital projects, customers, and record revenue than ever before, and they are on track to do the same in 2025.

However, not everything is on track. More than 4,000 trains have derailed since 2020, with nearly 70 percent of derailments happening inside cities, particularly small cities. The 2023 Norfolk Southern train derailment in East Palestine Ohio was a jarring reminder for all cities and towns about how quickly a train coming through can derail with hazardous materials on board, harming both their towns and the economic potential for years to come.

The Norfolk derailment is not unprecedented. It follows a trend of hazardous material derailments in Drafton, Fort Worth, Maryville, and Paulsboro and—among others. Experts have made it clear that derailments are preventable with good maintenance, safety standards, and of course, technology.

Congress is the only level of Government—full and unquestionable authority to establish the rail safety improvements needed for American communities, emergency responders, rail workers, and of course, rail customers. We are deeply appreciative of everything that this committee has done to set safety performance far higher.

City leaders that have dealt with the derailments echo one common message, no other community should have to go through this preventable disaster. And with safety inspections, investments incentives, Congress could make our communities safer and make railroads more profitable by keeping the trains on the tracks where they belong.

So, in order to show that we are partners, we made eight recommendations. One, adopt and fund expert NTSB's recommendation on rail safety. Two, invest in Rail Crossing Elimination Program to improve the flow of rail traffic and local transportation traffic so that these are not blocked—the crossings aren't.

Three, provide long term rail funding certainty through advanced appropriations or other means that keep the momentum for the Corridor ID Program going, which has many great projects we want to move.

Four, lower the cost of rail infrastructure material and structure through innovation and experimentation funding, because the cost of rail infrastructure has doubled in the last couple of years. Five, modernize safety data and blocked crossing reporting. Six, support safety information flow between the railroads, city leadership, and of course, our local first responders.

Seven, establish an FRA liaison for railroads and communities. And finally, and most importantly, maintain and modernize rail inspections. We need to recognize that technology can support inspections, but it cannot safely supplant them. And so, thank you on behalf of the National League of Cities and the 12,000 cities in America. We are here to partner.

[The prepared statement of Mr. Anthony follows:]

PREPARED STATEMENT OF CLARENCE E. ANTHONY, CEO AND EXECUTIVE DIRECTOR,
NATIONAL LEAGUE OF CITIES, AND FORMER MAYOR OF SOUTH BAY, FLORIDA

Good morning, Chairman Young, Ranking Member Peters, and Members of the Committee.

On behalf of the more than 19,000 cities, towns, and villages across America, I want to put safety first and will begin my remarks by thanking this Committee for their leadership in supporting critical safety improvements that are saving the lives of our family, friends and neighbors in America's communities. The new Rail Crossing Elimination (RCE) program and the Safe Streets and Roads for All (Safe Streets) program have been embraced by communities of every size in every state, and the results are clear—the U.S. Department of Transportation's National Highway Traffic Safety Administration reports we are in the *11th consecutive quarterly decrease* in traffic fatalities and the Federal Railroad Administration *reports* some slight progress on total rail accidents/incidents in the last few years (2017: 11,990 vs. 2024: 10,255). Together, we must continue to build on the safety focus across our transportation networks and embrace a *wholistic safe system approach*.

National Rail Investments are On Track and Showing Promise

Local governments are proud to partner with the Federal government through the Infrastructure Investment and Jobs Act (IIJA) to tackle the Nation's infrastructure backlog from the ground up and contribute to the rebuilding that is happening across the country right now. We appreciate the opportunity to testify today about how rail investments in the next surface transportation reauthorization can serve our country in the years to come.

The U.S. has made tremendous progress on forward-looking passenger rail investments and improvements for the safe and efficient movement of freight rail through the IIJA, and we encourage Congress to build on that momentum by growing critical safety programs like the Rail Crossing Elimination program and investments in core rail passenger programs. Tremendous proposals came together across the country for the Corridor Identification and Development (Corridor ID) program to map out a pipeline of passenger rail projects ready for build out. With continued investment and longer term funding certainty provided by advance appropriations in the IIJA, passenger rail service in the U.S. is showing great gains and is absolutely on the right track.

Amtrak had its best year yet in 2024 with more customers and generated more revenue than ever before, while also making record-setting capital investment and setting eighteen ridership records at the route level. Amtrak carried a record 32.8 million intercity passengers (up 15 percent from FY 23, and above the pre-COVID—

19 peak), generating \$3.6 billion in operating revenue (up 7 percent from FY 23) and invested nearly \$4.5 billion in critically-important capital projects (up 55 percent from FY 23, and 178 percent above the pre-pandemic peak) for rail infrastructure programs, major procurements of new train equipment, and overdue upgrades to stations. We are also seeing a boon with new and more frequent services like the new Chicago to-Twin Cities Borealis in partnership with the Minnesota, Wisconsin, and Illinois Departments of Transportation. The train makes stops in a variety of small cities, including Columbus, Portage, Wisconsin Dells, Tomah and others that are seeing the direct benefits of what a train stopping by their city can do in addition to the destination cities of St. Paul, Minneapolis, Milwaukee, and Chicago. The results for this Fiscal Year (FY25) are looking even brighter with record breaking ridership and revenue forecasts as well as NextGen Acela trains on the way in addition to new “Mardi Gras” services from New Orleans to Mobile this summer.

Majority of U.S. Communities Have Rail Tracks and Want Safe Operations

Cities of all sizes across the U.S. want to ensure that rail is run successfully in our country. More than 12,000 out of the more than 19,000 cities, towns and villages across the country are impacted by our Nation’s trains coming through neighborhoods and downtowns and crossing over the 3 million miles of roads that local governments own and maintain. We are the hosts to many of the 500 Amtrak stations across 46 states and are served by both existing and expanding service options like those from Brightline. We recognize the importance of Congress’ role in supporting a modern rail transportation system and the service it provides to our country. However, we also know there is more Congress can do to keep rail moving without harming the communities it is supposed to serve.

Rail Safety Impacts Small Cities Disproportionately in Clear Trend Line of Hazardous Incidents

Unfortunately, *more than 4,000 trains have derailed since 2020 with nearly 70 percent of derailments happening in cities.* Small cities are disproportionately affected by rail accidents: Cities with fewer than 1,000 residents have an average of 12.9 accidents as compared to 3.1 for cities between 1,000 and 10,000 and less than 1 for cities over 50,000. The Norfolk Southern train derailment in East Palestine, Ohio, was a jarring reminder for all local governments of how quickly any one of these rail incidents in their backyards can dissolve the economic potential of the communities they represent and serve. While an incident can quickly fade into the background of the news cycle, this Committee’s oversight of the derailment and environmental contamination in East Palestine, Ohio, is essential to holding the spotlight on safety because while the Norfolk Southern derailment was substantial, it is not unprecedented. Here are a few derailments of note with hazardous materials involved:

- *In 2020, in Draffin, Kentucky,* a CSX train derailed three locomotives, one buffer car, and four tank cars toward the rain-swollen Russell Fork river, submerging the cab. Two DOT-111 tank cars were breached and released about 38,400 gallons of denatured ethanol, which in combination with about 11,300 gallons of released locomotive diesel fuel ignited into a post-accident pool fire. Crewmembers were trapped in the train fire, swam to safety, and were transported by ambulance to a local hospital for treatment. Local police advised occupants of 6 to 10 nearby homes to evacuate.
- *In 2019, in Fort Worth, TX,* a Union Pacific Railroad train derailed near East Berry Street and South Riverside Drive, triggered a massive fire fueled by more than 100,000 gallons of ethanol from the tanker cars. Several homes were evacuated and three horses were killed when flames spread to a nearby stable. Of the 24 tanker cars that had the potential to create a deadly fire fueled by up to 672,000 gallons of flammable liquid, only nine leaked some of their ethanol cargo, including the four cars that witnesses saw burning. The National Transportation Safety Board used the incident to compare the crash and fire effects of the newer DOT-117 tanker cars compared to the DOT-111 phased for retirement and were involved in the East Palestine derailment.
- *In 2015, in Maryville, TN,* ahead of the Independence Day holiday, a 57-car CSX train carrying 27 cars of hazardous, flammable and toxic substances *derailed and caught fire,* prompting the evacuation of thousands of people within a two-mile radius. About 5,000 people in the area were evacuated, and 197 people were injured with 87 treated at hospitals including ten first responders. The cities of Alcoa and Mayville emergency response expenses alone exceeded \$225,000 in addition to Blount County’s larger emergency response.

- *In 2012, in Paulsboro, NJ, near Philadelphia, PA, a Conrail train transporting the chemical vinyl chloride derailed while crossing a bridge that collapsed over Mantua Creek. Seven cars derailed, four rail cars fell into the creek, breaching one tank and releasing approximately 23,000 gallons of vinyl chloride. Local, state, and Federal emergency personnel responded on scene. Almost 700 people were evacuated, and nearby schools were ordered to immediately take shelter and seal off their buildings. Not including the train crew and emergency responders, 28 residents sought medical attention for possible exposure to vinyl chloride. A decade after the incident, the *impact* to the community remains clear to city leaders—“A lot of houses became vacant, rundown, crime, filth, you name it, all because of [the spill] . . . there were plans already before the train wreck to open all of these stores that you see now and they came to a halt.”*

Experts have made it clear that derailments are preventable with good maintenance, safety standards and technology. Congress must set the safety performance bar or continue to watch community after community bear the economic consequences of train derailments. Rail remains important to our country, but its operation should never be at the expense of these communities.

Rail Safety Starts and Ends with the Commerce Committee

Despite railroads running fewer yet longer trains with steady levels of hazardous materials, *derailments have not substantially decreased*. Therefore, any train that derails is more likely to be *carrying hazardous materials that are highly explosive*, increasing the *risk* to the communities they pass through. Cities that have had derailments keep echoing a common message—no other community should have to go through these preventable disasters, and with safety protocol like inspections and investment incentives for maintenance, Congress could make our communities safer and make railroads more profitable by keeping the trains on the tracks where they belong.

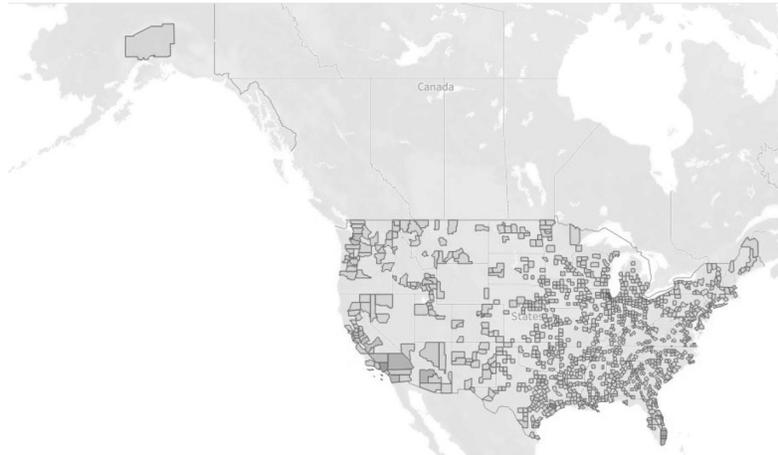
Unlike other modes of transportation, Congress is the only level of government with full and unquestioned authority to establish the safety improvements that are needed and to ensure the safety of the rail system for American communities, emergency first responders, rail workers, and railroad customers. Each Senator on this Commerce Committee holds tremendous power to prevent future safety incidents and ensure the success of America’s railroads operating in our communities. Last Congress under the leadership of Vice President Vance and a bipartisan group of members of this Committee, the Railway Safety Act was advanced, and that unfinished business remains for the upcoming transportation reauthorization in the coming months.

Local Government’s Rail Policy Recommendations to Congress

To advance the safety and efficiency of the Nation’s rail system in coordination with road and pedestrian systems, we request the following rail priorities be included in the surface transportation reauthorization:

- *Adopt and Fund Expert Recommendations on Rail Safety:* The National Safety Transportation Board has provided expert analysis and recommendations to Congress on the East Palestine derailment and many other important and revealing rail safety incidents that should be followed to ensure we respond to the safety gaps exposed and that we make the most of taxpayer investment to have independent safety analysis. Notably, this includes vent-and-burn and bearing failure research, retiring DOT-111 tank cars as soon as possible, maintenance for equipment, communication and preparation for emergency responders to be able to confirm the contents and consist of the train, and much more. Many of these solutions are found in bipartisan rail safety legislation before the Committee and the House.
- *Invest in Rail Crossing Improvements Across the Nation:* The Rail Crossing Elimination (RCE) program has proven incredibly valuable for communities to work directly with railroads to complete rail improvement projects and improve the flow of rail traffic and local transportation traffic at crossings and should be prioritized in a limited funding environment. Planning eligibility is an essential part of the RCE program to develop viable capital projects. Eligibility should also be clarified to ensure that pedestrian access bridges and bridge modifications can be included in these grants. Notably, the Safe Streets program could also include pedestrian rail crossing eligibility or a Safe Crossings program could be established to upgrade more of the 200,000+ rail crossings particularly where there are schools or busy pedestrian areas nearby experiencing too many close calls and deaths.

Highway-Rail Incidents for Calendar Year 2025 & 2024



Source: Federal Railroad Administration (June 13, 2025)

- *Provide Long-Term Rail Funding Certainty:* Almost all other modes of transportation benefit from the long-term budgeting certainty of Federal Trust Funds—the Highway Trust Fund, Airports Trust Fund, Harbors Trust Fund, and Waterways Trust Fund, but rail does not have access to a Federal trust fund. However, in the IIJA, Congress used advance appropriations to provide multiyear certainty for passenger and freight rail projects in a similar manner to a Federal trust fund. NLC supports creation of a rail trust fund, allowance of rail in an existing trust fund, or continued use of advance appropriations that can ensure multi-year rail investment that aligns with the necessary capital construction demands of infrastructure projects. We also encourage Congress to not waste the investment momentum of the Corridor Identification and Development program, especially in areas where highways alone cannot meet demand and ease congestion and where additional investment can realize more frequent and extended service connections for the heart of the country.
- *Lower the Cost of Rail Infrastructure Materials and Structures:* The costs for rail crossing infrastructure improvements have increased by double even before the recent inflation spike along with often volatile railroad project expenses. Congress should provide innovation and experimentation funding for new and lower cost materials to be tested and incorporated into the rail section of the Manual on Uniform Traffic Control Devices (MUTCD) by encouraging states to use Section 130 program funds or providing additional funds for this purpose. Additionally, FRA should be empowered with investment tools for encouraging innovative technology in rail on a range of warning devices and crossing designs that use human factors science for limiting pedestrian and rail interaction including quick-build pedestrian bridge structures or real-time redirection information like communities in New Haven, IN, and Hattiesburg, MS, are using.
- *Modernize Safety Data and Blocked Crossing Reporting:* The Bureau of Transportation Statistics, FRA, FHWA and NHTSA should be tasked to integrate all Federal and state rail crossing and road safety data and planning efforts into publicly available safety dashboards that solicit public input and allow for improved Congressional oversight and research on transportation safety. Because blocked crossings create safety incidents, train operators should be required to provide FRA a standardized report for all stoppages exceeding an hour in length or alternatively, empower states to collect crossing data and enforce blocked crossing incidents as they would on any other mode of transportation. All rail data that is collected in a standardized manner should be able to be utilized by Federal agencies to inform safety and regulations without exception. All entities operating rail that accept Federal funding should be contributing safety and operational data as requested from USDOT.

- *Support safety information flow between railroads, city leadership, and local first responders:* We urge Congress to ensure that mandated communication flow makes it to the first responder on the scene, not only to the state office, and that official emergency communications channels used for other incidents be utilized in addition to any supplementary tools like phone apps. The proximity, switching and storage of railroad cars containing volatile and hazardous materials in and through urban and residential neighborhoods remains a core concern, and it has become clear that the current list may not be capturing all the hazardous materials moving on our railways. We agree that updating the list of substances to more accurately reflect a full understanding of what is being moved through communities is needed as well as ensuring that communication between railroads, states, local officials, and first responders is clear and efficient.
- *Establish an FRA liaison for railroads and communities:* Railroads are businesses operating in America's communities, and local governments expect all railroads to be good neighbors to the communities they reside in by answering local government questions promptly, hosting emergency contact information for incidents and issues, reviewing blocked crossing and safety data annually with communities upon request, and partnering with communities to utilize Federal grants to eliminate blocked crossings and congestion points in regions. However, a lack of responsiveness and oversight has led to long-standing issues in communities. FRA should be able to convene discussions with railroads on behalf of communities and regularly report back to Congress how convenings result in outcomes and proposed action plans to resolve issues in their states and districts.
- *Maintain and Modernize Rail Inspections:* The safety of the rail system is built on regular inspections by qualified personnel that can be better supported by transportation technology such as sensors, but they cannot replace the visual inspections of the humans that do these inspections. Self-certification on safety can lead to dangerous outcomes as this Committee knows from recent aviation issues. While all processes can be modernized and reliable data can inform risk and therefore inspections, it is of vital safety importance that the frequency of these visual inspections and the qualifications of the workers doing the inspections are not reduced. Any changes should be carefully considered and reviewed by independent expert and not done through waivers of current regulations.

Infrastructure Investments Pay for Themselves

While the 119th Congress will make many tough national budget decisions, reducing infrastructure investment from IJA levels would be a \$1 trillion dollar economic mistake. The *American Society of Civil Engineer's 2024 "Bridging the Gap"* economic scenario analysis compares the outcomes of continuing to invest at IJA levels versus snapping back to prior FAST Act levels, and there is a clear difference:

- as much as \$1 trillion-dollar gross economic output lost from major U.S. job sectors (e.g., healthcare, manufacturing, professional services),
- 237,000 American jobs at stake, and
- \$550 billion in disposable income for American families lost.

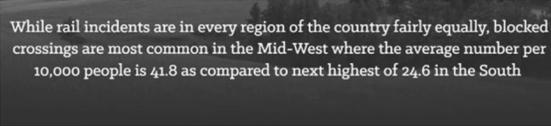
When it comes to Congress making a return on the American taxpayers' investment, IJA-level infrastructure investments can deliver nearly \$700 every year in savings for American families over the next twenty years by continuing a robust program across multiple essential infrastructure types like transportation, water and energy.

Much like our government deficit, we should not let an unreasonable infrastructure deficit grow unchecked and harm our country's future. Cities and towns urge Congress to embrace the positive economic impact of keeping infrastructure funding at IJA's levels as the Committee negotiates the topline goals of the next package. This is the level of funding the American economy requires and the American people deserve.

NLC thanks Congress for their continued attention to rail safety improvements through the IJA's historic investment. We ask for your continued oversight and leadership to act on these recommendations which can improve safety in thousands of communities, and local governments look forward to discussing these issues with your Committee. Thank you for the opportunity to address the Committee, and I look forward to your questions.

APPENDIX

Rail Safety Facts to Know



While rail incidents are in every region of the country fairly equally, blocked crossings are most common in the Mid-West where the average number per 10,000 people is 41.8 as compared to next highest of 24.6 in the South



More than half of all accidents are derailments (51%)



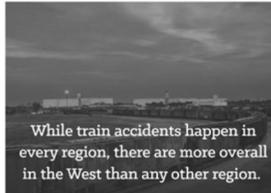
Derailments are the most common type of accident to happen in a city (68%)



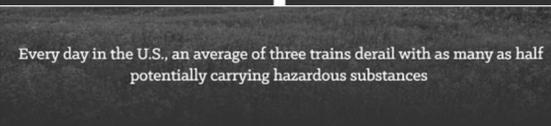
Small cities are disproportionately affected by rail accidents: Cities with fewer than 1,000 residents have an average of 12.9 accidents as compared to 3.1 for cities between 1,000 and 10,000 and less than 1 for cities over 50,000.



More than half of cities (58%) are touched by the national rail network



While train accidents happen in every region, there are more overall in the West than any other region.



Every day in the U.S., an average of three trains derail with as many as half potentially carrying hazardous substances



Nearly 1 in every 5 cities have been affected by rail incidents since 2020



Two-thirds of all rail accidents (66%) happen within cities



On average, cities experienced 6 reports of rail incidents for every 10,000 people

Rail Crossing Elimination Program Local Government Recipients

Calera, Alabama	City of Calera State Road 25 Railway-Highway Grade Separation Project
Pelham, Alabama	Railroad crossing elimination on Shelby County Road 52
Fayetteville, Arkansas	Northwest Arkansas Rail Corridor Safety Study
Banning, California	Hargrave Grade Separation Planning Project
Palo Alto, California	Grade Separation at Churchill Avenue, Meadow Drive and Charleston Road
Riverside, California	Third Street Grade Separation Project
Fort Lauderdale, Florida	City of Fort Lauderdale Railroad Safety and Congestion Analysis
West Palm Beach, Florida	Building BRIDGES Planning Study - West Palm Beach Florida East Coast Rail Corridor Safety Action Plan
Decatur, Illinois	Brush College Road and Faries Parkway Grade Separation Project
Franklin Park, Illinois	Village of Franklin Park Grade Separation Project - Connect Franklin Park: Bridging Barriers and Creating Opportunities
Gary, Indiana	Buffington Harbor Gateway Project
Hammond, Indiana	Governors Parkway Railroad Overpass Project
Peru, Indiana	Peru Grade Separation Feasibility Study
Schererville, Indiana	Kennedy Avenue Railroad Overpass Project
Davenport, Iowa	South Concord Street Grade Separation
Emporia, Kansas	Corridor Improvement Project Involving 15 Street Crossings with BNSF Railroad within City of Emporia
Olathe, Kansas	119th Street, Woodland to Northgate - BNSF Separation and Crossing Elimination Safety Improvement Project
Wellington, Kansas	Grade Crossing Closures and Construction of Grade-Separated Highway Overpass on the BNSF Southern Transcon Main Line
Monroe, Michigan	West Side Grade Separation Project
Little Falls, Minnesota	TH 27/Mississippi River Bridge Grade Separation
Whitefish, Montana	Whitefish Rail Corridor Crossing Study
Bend, Oregon	Reed Market Grade Separation Project Development
Portland, Oregon	Central Eastside Railroad Crossing Study
Florence, South Carolina	The Florence Railroad Crossing Safety Improvement Planning Project
Cleveland, Tennessee	3rd St SE and Norfolk Southern Railroad Grade Separation
Amarillo, Texas	NE 24th Avenue Railroad Overpass
Houston, Texas	West Belt Improvement Project
San Antonio, Texas	Rittiman Road Grade Separation Project
Bluffdale, Utah	Bluffdale Pedestrian Overpass Project
Burlington, Washington	Railroad Overcrossing Planning and Design
Seattle, Washington	S. Holgate St At-Grade Crossing Elimination Study
Washougal, Washington	32nd Street Underpass Project
Parkersburg, West Virginia	Studying for the Potential Elimination of Existing At-Grade Rail Crossing on 19th Street in Parkersburg.
Eau Claire, Wisconsin	Galloway Street Vehicular and Pedestrian Rail Crossing Eliminations and Construction of Galloway St. Rail Overpass

Submissions from the FRA Public Blocked Crossing Incident Reporter

Bridgeport, AL

- *This crossing has been repeatedly blocked over the past few months. To cross the tracks is our only way in and out. To my knowledge there is no passable access road. People are late for work and several other appointments.*

Texarkana, AR

- *The crossing has been blocked by one train or another for 48 hours to date and people are crawling through to get to the stores.*

Tucson, AZ

- *This is a major road off the I-10 and it's been over 15 minutes and no movement of train. I saw a person try and climb through looks like he made it and another guy just came through. Someone is going to die. Thanks for your help in this matter.*

Fresno, CA

- *This happens every day multiple times a day, I've seen countless emergency vehicles stopped by trains, and for 30-60 minutes.*

Beaumont, CA

- *The train has been blocking all crossings through the city causing traffic jams at the only bridges/underpasses available for most of the day. Took over an hour to travel under 5 miles in this small town. It is still blocking traffic as of 4 pm.*

Fort Collins, CO

- *During evening rush hour, just after 5PM train sat stationary blocking the road. This caused massive backups a delay throughout old town and the only route north of the railroad track is blocked.*

Baldwin, FL

- *I'm going to lose my job because this train has blocked the road for an hour and I'm late for my job. A man and a woman both jumped over the train because its been here so long.*

Callahan, FL

- *Roads have no access for medical attention if needed. All access to roads blocked due to train at two crossings stationary.*

Jacksonville, FL

- *Elementary school children standing, pushing each other after being let off of school bus - dangerous!*

Jacksonville, FL

- *This is the 2-3 time I've been stuck at this crossing for 2 hours or more, there are 2 exits from this location and both are blocked. People have a job to do and losing time is costly and inconvenient. Please do better.*

Atlanta, GA

- *This has been an ongoing problem in this area. The train sits for long periods of time causing pedestrians to have to climb over the coupler, which is very dangerous and the cars traveling in the area are inconvenienced causing them to have to detour.*

Atlanta, GA

- *This is the 23rd time this year that CSX has blocked Chappell Rd, a main artery for emergency services. Average blockage time for the 23 blockages is 1 hr 7 min. Fix this!*

Atlanta, GA

- *We are trapped. Road is flooded and train blocking.*

Seattle, WA

- *Trains regularly sit blocking the intersection for over an hour at night. It is over 2 miles to detour on foot or bicycle. Tonight 3/18/2022 it has been over an hour already. Multiple people have climbed through cars to get through the intersection. Cross*

Tampa, FL

- *This is a major US highway, CSX shows no concern for the economic impact this has on the people that have to go to work. 15-20 minutes is an acceptable time, almost an hour during the start of rush hour is not. This is not an isolated incident...*

Jacksonville, FL

- *This crossing is blocked daily and NS will not help. Someone is going to die as this is the only medical/fire access for 2 large businesses*

Converse, LA

- *Woman almost died after being smashed by an 18 wheeler. Train sitting on tracks for 40 minutes. Could not see traffic in any direction at 4 way due to massive amounts of 18 wheelers backed up.*

Plentywood, MT

- *FIRE DEPT WAS UNABLE TO CROSS TRACKS FOR A HOUSE FIRE, ALL 3 PLENTYWOOD CROSSINGS WERE BLOCKED*

Kingston, NY

- *This is a major commuting road in Kingston and they are blocking the road for over an hour, with one train completely stopped. This is a public road funded by taxpayers and we have the right to free travel, which CSX is impeding severely daily, causing several major safety issues. They should be audited immediately. This is a major commuting road in Kingston and they are blocking the road for over an hour, with one train completely stopped. This is a public road funded by taxpayers and we have the right to free travel, which CSX is impeding severely daily, causing several major safety issues. They should be audited immediately.*

Note: Edited lightly for clarity and grammar.

Senator YOUNG. Well, thank you to Mr. Anthony and to all our witnesses for those opening statements. Very thoughtful. As I mentioned in my own opening statement, technology is already making a big difference in the way we approach safety in the rail ecosystem.

But I do believe that emerging technologies like artificial intelligence and machine learning hold the potential to drastically improve our rail ecosystem by increasing safety and efficiency, probably in a number of ways that none of us can predict at this point. But this hearing, I think, is a great opportunity as we prepare our work on Surface Reauthorization to improve upon opportunities for the greater voluntary deployment of emerging technology.

Mr. Jefferies, thanks for your testimony again. You mentioned a few applications of technology, but I wanted to dig in a little deeper on how exactly you have seen technology like automated track inspection, something we have discussed, or anything else that is improving safety and efficiency. Can you shine a light onto this for us?

Mr. JEFFERIES. Absolutely, Mr. Chairman. Thanks for the question. And I think you heard some version of that same theme throughout all the witnesses. So, that is a good sign. But dialing into autonomous track inspection in particular.

So, right now—and I mentioned, you know, our regulatory structure has been around for a long time, and we have got a lot of 1970s era regulations. We have got regulations from the steam engine era that we are operating under.

But when it comes to track inspection, we have a very—and most of our inspection protocols are very manually focused protocol about how and when to inspect our tracks that generally requires a segment of a line to be shut down and individuals to walk the track using the naked eye looking for potential flaws.

And that was the best way to do that when the regulations were established some time ago. Well, as with every other industry, this industry has continued to evolve and develop new technology and innovate and find new better ways to do things. And so, the principal characteristics of ATI are that one, you can affix an autonomous track inspection tool to a revenue service train, so you are not taking that line out of service.

You are continuously inspecting the line as you are moving through revenue service, so you are covering more ground, you are doing it more frequently, and you are do it at a higher level of sophistication. In early pilot programs at the FRA, 90 percent improvement in defect detection occurred using ATI versus the naked eye. That shouldn't be surprising to any of us, but that is the fact.

And so, our thesis with using ATI as the example is let's continue to build the datasets appropriate to prove out—we think we have proven it out—but let's take sequential steps to further prove out that using ATI in lieu or in addition to a manual inspection will result in a higher level of safety.

And as that is proven out by the data, then there should be a smooth, predictable, objective process for rolling that new, better way of doing things into the regulation to meet a regulatory requirement, and we think that is through an outcomes based approach.

So, tell me the performance standard you want to meet, and allow me to figure out the best way to meet that or exceed that, and we should all get the outcome we are looking for. Thank you.

Senator YOUNG. Sort of a fundamental regulatory principle that many of us have tried to embrace. Don't be prescriptive, but instead rely on people's creativity and technology and thoughtfulness, who are frankly more connected to these challenges than sometimes people in Washington are, to come up with a solution.

Mr. Gilbertson, Mr. Cumber, do either of you have anything to add as it relates to this technology question?

Mr. GILBERTSON. I just mentioned the interplay between, for example, the CRISI program and technology. I mentioned this app, but another good example is Rail Pulse. Rail Pulse is a consortium of large and small railroads, and it provides a tag on rail cars that provide both safety and customer information to the user.

And we just joined the consortium. It again was seeded by a CRISI grant several years ago. And I think that the part that appealed to FRA was, again, both customer value and safety improve-

ment. We just bought, Senator, 100 new rail cars to serve the steel industry in Indiana.

We are tagging all those cars with this new technology. And it is a quantum leap in, where is that car located? We know exactly where it is located. So these are the kinds of things that I think are out there. And again, there is an interplay between the funding and the technology.

Senator YOUNG. Yes. Mr. Cumber.

Mr. CUMBER. Two short examples, Mr. Chairman. So with respect to Brightline and what we are doing, one area where evolving regulatory thinking could help is current regulations for broken rail detection are emerging as a roadblock for higher speed trains.

So for example, European high speed rail networks depend on preventative measures to address the risk of broken rail conditions. And the preventative message—measures include an inspection track, an inspection vehicle that checks the track every morning before service starts.

And so, what you are doing is preventing a broken rail condition by using high resolution cameras that monitor and detect rail flaws before they can grow in significance. The current U.S. regulations require the installation of track circuits to identify when a broken rail condition has happened.

But we need to change the regulatory thinking and look at ways on how we make sure we are preventing the broken rail condition from actually happening, not monitoring when it actually happens. Second very quickly is, I am on the board of Parallel Systems, which is the first company that has designed an autonomous battery electric rail vehicle that can travel up to 500 miles.

We got the first waiver from the Federal Railroad Administration, started the pilot in Georgia two weeks ago. And for more than a year, we struggled to get permission from the FRA to test the vehicle because of antiquated regulations that require self-powered vehicles to have bathrooms and windshields.

And so, this is where technology is leaped ahead of the regulations in statute. And so—

Senator YOUNG. You don't think a self-powered vehicle needs a windshield?

Mr. CUMBER. Self powered rail car, right. And so, but what is interesting about these cars is they are designed to be able to monitor wheel bearing temperatures 30 times per second. They can stop much quickly than other rail cars. And so, you see here the regulation and the legislative regulations having to catch up to technology in this reauth process.

Senator YOUNG. Well, thank you. Great examples, and we will look forward to working with you to try and come up with some better outcomes when you interact with FRA in the future. Mr. Peters.

Senator PETERS. Thank you again for each of your testimony. And one thing that occurred in each of your testimonies is you discussed the importance of the down payment that the bipartisan infrastructure law made in our rail infrastructure. But what I also heard is that the job is clearly not done yet.

The bill certainly provided certainty by giving advanced appropriations to key rail programs like CRISI—Mr. Gilbertson, you

mentioned that in particular in your testimony—and the Rail Crossing Elimination Program.

This means that in—that for the last few years, these programs have not been reliant on yearly appropriations process, and I am very concerned about the funding cliff that we are approaching with these programs when the BIL expires next year.

Without advanced appropriations, the only way to avoid a huge funding cliff is for our rail network for the yearly appropriations budget plus up rail infrastructure funding by the billions. That will be difficult in our current budgetary environment to do that.

So if I could hear briefly from each of you—from each member of this panel, what do you believe are the major consequences if Congress allows rail infrastructure funding to basically run off this cliff? What are the downsides that we need to know about? Mr. Jefferies, you want to start, and we will work down the panel.

Mr. JEFFERIES. Absolutely, thanks. So certainly, you know from talking to us many times, we are very proud of all the private investment we put into the network. At the same time, we do many a major project with states, communities, municipalities, partnering with them to do projects that probably otherwise wouldn't be done.

And these are projects of national significance, regional significance, increased freight flows, increased safety. And so, the primary source for the public entities to tap into is the Grade Crossing Elimination Program. It is Infra. It is Mega. On the short lines, primarily, it is CRISI.

And so, my concern if you let those programs be dormant or stagnate is that there is going to be a lot of missed opportunities to partner with public agencies throughout the entire country—you have seen how oversubscribed these programs are—to do projects that otherwise may not get done that will have real benefits to cities and towns across the U.S., and the movement of freight, goods, and people.

Senator PETERS. Very good. Mr. Gilbertson.

Mr. GILBERTSON. I would just echo that and say that the advance appropriations are really critical. There is a planning function, particularly for small carriers, where you have a work window that is defined by climate sometimes. I mean, we have 4 months where we can do the work.

If you miss that cycle, you miss a year. Similarly, there is often lining up non-Federal partners. That includes the private entity, but also public entities in some cases. And again, anything that adds to the complexity of that may mean it doesn't happen at all.

Senator PETERS. Very good. Mr. Cumber.

Mr. CUMBER. Thank you, Senator Peters. I would mention two things. Number one, infrastructure built today is cheaper than infrastructure built tomorrow. And so, any delay in being able to fund these programs and get the work done, not only causes the delay, but rises the cost for them in the future.

Second, with respect to Brightline, both ourselves, the State DOT, the local communities have tapped into these programs for safety programs. And we look at safety from an engineering, education, and an enforcement standpoint. And so, law enforcement

have been using these grants to warn and blitz grade crossings. We have all talked about the impact of grade crossing safety.

They have used these grants to go above and beyond the Federal Railroad Administration regulations for crossing safety improvements. And they have also used these grants from an education standpoint for public service announcements, et cetera.

And so, my fear is if you pull back on funding, you would also see an increase in safety incidents.

Senator PETERS. All right, we have a real concern. Mr. Anthony, the last word.

Mr. ANTHONY. Yes, absolutely. We need certainty funding. It helps the local communities and the rail industries to be able to plan. It helps us to be to look in ways to create the new workforce and what is needed in the communities, towns, and villages, especially rural and small communities.

It also is important to note that all types of the infrastructure programs that we have has a trust fund or other long term funding commitments. And if we had that mechanism long term for rail industry development and community engagement, and local leadership involvement, I think we could plan better as a nation.

Senator PETERS. Great. Thank you, Mr. Chairman.

Senator YOUNG. Thank you, Mr. Peters. Chairman Cruz, you are recognized.

**STATEMENT OF HON. TED CRUZ,
U.S. SENATOR FROM TEXAS**

Senator CRUZ. Thank you very much and thank you to the Chairman for hosting this hearing. Thanks to the witnesses for being here. Mr. Jefferies, let me start with you. Does AAR have any recommendations for this committee to stop freight theft? For example, would requiring DOT and DOJ to better coordinate when they receive information on freight theft help tackle this problem?

Mr. JEFFERIES. We absolutely have recommendations, and this is an issue that plagues not only the railroads, but the entire supply chain. And it is not going away. It is only getting bigger. Our adversaries are very organized criminal enterprises, strategically hitting high value cargo.

So first of all, thank you to you for your support on the Combating Organized Retail Crime Act. Thank you to others on the Committee as well. We have got very good bipartisan support. That bill does three things. It increases information sharing across Government. It creates investigatory motivation with the feds.

And then it really pushes for some enforcement, because oftentimes we arrest people, and they are right back out on the street. Information, as you mentioned, information sharing is key.

Coordination, DOT, DOJ, I would throw DHS in there as well because they are kind of at the tip of the spear with a lot of that. Absolutely, we support it. Thank you for your support, and we want to keep working with this committee to address this problem.

Senator CRUZ. Excellent. Very helpful. Mr. Gilbertson, the Department of Transportation under Biden added both DEI and climate change related criteria to the grant approval process, which Congress did not include in the authorizing statutes.

For example, the Biden DOT thought of the Consolidated Rail Infrastructure Safety Improvement, or CRISI grant, as a program to “explicitly address climate change, gender equity, and racial equity,” and scored applications based on how well the applicant met these criteria. In fact, the Biden DOT required applicants to address “equity” as a condition of receiving construction funds.

Mr. Gilbertson, are you aware of the challenges short line railroads faced when applying for grants requiring such criteria, criteria that were unrelated to the merits of the actual project?

Mr. GILBERTSON. Senator, I previously mentioned that the CRISI grant approval process has been unnecessary long in our opinion. I am not aware of the internal decisionmaking of how FRA has weighted these factors, but as a matter of policy, we would ask that the FRA limit its evaluation to the statutory criteria.

Senator CRUZ. Asking that the Government follow the law seems a pretty reasonable request from American citizens, and one would—I for one am grateful we now have an Administration willing to follow the law instead of the preceding Administration. Mr. Cumber, you talked about the acquisition of right of way as a major challenge to expanding Brightline in Florida.

Brightline West is taking a creative approach by working with the State Departments of Transportation to build track along existing right of way. If Congress wanted to incentivize greater competition in the inner-city passenger rail sector, what should we be thinking about regarding right of way acquisition? Get your microphone.

Mr. CUMBER. Great question, Chairman Cruz. There are a couple ideas that we have. The first is using the categorical exclusions to allow projects to move forward when they are in existing transportation corridors would significantly reduce the time it would take to implement projects.

A normal kind of arc of a project is if you think about 3 years of predevelopment work, 5 years to construct, 3 years to get to stabilization, any extra time it takes to get that environmental process completed makes the project sometimes not financially feasible.

Second, when it comes to the grant programs, our view is give the private sector the eligibility to apply for all the different USDOT and FRA grant programs. And I said that in my oral testimony. We just want all passenger models to be treated equally. Amtrak can compete.

State sponsored systems can compete. Privately operated systems can complete. And if we have a level playing field, we think the benefits of getting competition into the passenger rail industry will happen.

Senator CRUZ. And let me follow up. What could Congress do to help facilitate more private sector participation to promote competition in inner city passenger rail in this country? And Mr. Jefferies, I am interested in your thoughts on this as well. But Mr. Cumber.

Mr. CUMBER. So, you know, I strongly believe obviously competition makes everyone better. And there is an association out there that—it is the Association for Innovative Passenger Rail Operations, and what they have been pushing for is when long distance systems are being contemplated using Federal funds, that they would have to be competed as opposed to Amtrak being the default

operator. And that is something that I think in the reauthorization process the Committee could consider.

Senator CRUZ. Mr. Jefferies.

Mr. JEFFERIES. Yes, I think competition is good on that front. I also think getting all the stakeholders together before you launch on a project is really helpful because oftentimes it involves a state, a municipality, a private entity, a host railroad perhaps. And getting everybody together before you roll out on new passenger projects results in a better outcome at the end of the day.

Senator CRUZ. Thank you.

Senator YOUNG. Well, thank you, Senator Cruz. Ranking Member Cantwell, you are now recognized for questions.

Senator CANTWELL. Thank you, Mr. Chairman. Mr. Gilbertson, these infrastructure investments are critical for competition for our many different agriculture products that we grow and export.

As I mentioned in my earlier statement, a lot of it comes from the Midwest to Asia through our ports. Port of Longview and Kalama, Vancouver exported 9 million tons of corn, 8 metric tons of wheat, 7 million metric tons of soybeans.

Again, \$6 billion, so we wanted to get there. These—how do investments in the rail crossing and short line help improve that competitiveness for farmers? And what happens if we lose the billion dollars of investments that we have made so far?

Mr. GILBERTSON. Well, the short lines are critical to that agricultural supply chain. And as you know, the state-of-the-art is a grain car that will hold 100 tons, a 286,000 pound car. And some of the early—some of the short line spin-offs could not handle a car of that weight.

So that essentially precluded these railroads from participating in that supply chain. We have an example of our Northern Lines Railway, which is in Minnesota, originates grain shuttle trains that go to the Pacific Northwest ports.

And that infrastructure had to be improved to handle those heavier cars. Had we not done that, we would not be a participant in that business to your ports.

Senator CANTWELL. So, if we didn't have the \$1 billion, we would be less competitive?

Mr. GILBERTSON. Correct.

Senator CANTWELL. OK. I mean, I could be advocating that we should double the number, because that is—I see some nods in the audience. Because that's how much the competition is, and that is what we have to do to get product to their destination.

And so, I am a big fan of increasing infrastructure investment. That is one of the reasons I am happy that we are having this hearing because we know what we have delivered so far. We know that it helped. But yet we are in this environment where we are challenged.

Tariffs, cost on infrastructure, all that makes it—so let's at least get the infrastructure investment right. Mr. Anthony, we have one city, Washougal, which is one of the busiest BNSF lines in the Nation. Over 30 trains transporting 50 percent of all rail freight that moves through the state of Washington basically bottlenecked in this town.

And because of that, literally traffic was backing up on highway 14. It was just ridiculous. So, we ended up getting money to improve that, and these improvements have made things a lot better. But we know that we have a demand for this at-grade crossing problem.

And what do you think we should do to increase—I mean, I think you could basically increase it three times, and probably still have a very good economic impact. I don't know what other people say about this. Everybody is affected by it.

Mr. ANTHONY. Well, first of all, I guess that is a good problem to have in some ways for some communities, but it has to be planned and coordinated with the local governments within the region.

As it relates to the safety concerns that we would have on that is engaging the community to make sure that the first responders and the medical professionals and the families that are trying to take their kids to school, that they don't have two to three, four hours blocked intersections, which really has impacted the lives of residents in and out of the region.

The stories that we are hearing of residents crawling through trains to get to their jobs, having to go two miles to another medical facility because they can't get to the existing one. So all local government is saying is that we want to partner with the rail industry to make sure that the artificial intelligence and other information that they are using to plan includes access and information loaded in that system from local communities. So I—we want say—

Senator CANTWELL. Do you support more money for—?

Mr. ANTHONY. 100 percent.

Senator CANTWELL. OK. I just wanted to clarify that because—

Mr. ANTHONY. 100 percent.

Senator CANTWELL. I need you to—

Mr. ANTHONY. Yes, we support more money.

Senator CANTWELL. I mean, I have talked about this issue so long in my state that someone visiting one of my neighbors stopped me on the street and said, do you know what happens in California? I said, no, what? And they said, literally, the trucks can't deliver the product to the port, and they are outside, the train is blocking. Literally, people will get out of their truck and walk to go put their timecard in to show that they showed up on time and then walk all the way back and get back in their truck.

So this is—you know, beyond this community problem, this is about us being very competitive. We worry about this because we have Prince Rupert, Vancouver, British Columbia, and somebody can make another choice. So this is about making this investment.

So, thank you, Mr. Chairman. I do like—I just will say for the record, I like your comments on full understanding of what is being moved through the communities. That requirement of communication between city leadership, and railroads, and first responders is critical. So, thank for that testimony.

Senator YOUNG. Thank you, Senator Cantwell. Senator Moreno, recognized.

**STATEMENT OF HON. BERNIE MORENO,
U.S. SENATOR FROM OHIO**

Senator MORENO. Thank you, Mr. Chairman. So Mr. Jefferies, you talked about modernization. We will go back to that. Obviously, it is a theme that we are hearing over and over again this hearing. You said the regulations were mostly designed in the 1970s, is that correct?

Mr. JEFFERIES. At least, in some cases, if not before and since. But, you know, we are a legacy industry with legacy regulations.

Senator MORENO. Gotcha. So we haven't really done much in Congress in that period of time?

Mr. JEFFERIES. I think Congress has done and has tried to do a lot of things. A lot of it has been around funding. You know, the challenge is I think you often try to regulate for the current condition.

And so, for example, you know, I talked about autonomous track inspection. That is today's technology. But I would be hesitant to say, oh, let's say that you have to use ATI to do track inspections because that locks you into today's practice.

So that is why we are focused on outcomes based, not inputs based. Where do we want to go, and let's continue to evolve how we can best get there.

Senator MORENO. Actually, it would seem like we may be overdue for some regulatory changes since the 70s was a decent period of time ago. You talked about the Highway Trust Fund. Just comment for the record for the people watching, how does that interplay with rail service?

Mr. JEFFERIES. Sure. So, our biggest partner, also our biggest competitor, is the commercial trucking industry. And we have actually worked closer together than we ever did, but we are also highly competitive in certain markets.

And so, as you have heard me say, we are very proud of the fact that we invest almost entirely on our own dime back into our network, where truckers operate over infrastructure paid for by the Highway Trust Fund.

And that is all well and good when, you know, those fees cover the cost of the highways themselves, but what we have seen is more and more and more shortfalls so that General Fund transfers are required to fund the highway network.

And when that happens, that is a subsidy to what our competitors are paying into the infrastructure they operate. And so, all we are looking for is a competitive playing field where each side puts in the appropriate amount of cash over the infrastructure that it operates.

Senator MORENO. That makes a lot of sense. So for example, if the Highway Trust Fund were to run out of money, which it seems like that is something we have been talking about for a long time, that is problematic, obviously, right, understandably—

Mr. JEFFERIES. Absolutely.

Senator MORENO. Right. So if you have vehicles on the road that are not paying gas tax at all, that is a problem.

Mr. JEFFERIES. Yes.

Senator MORENO. So, if you were to create legislation or Federal policy that bans internal combustion engine cars, would that increase the Federal Highway Trust Fund or decrease?

Mr. JEFFERIES. I think that would be problematic to say the least.

Senator MORENO. That would be problematic. Well, the previous Administration wanted to ban ICE cars of as of 2035. Fortunately, we were able to get rid of that through a Congressional review act a couple weeks ago. Huge deal.

We no longer have EV mandates. Would it make sense though if we could raise money into the fund to say, hey, we are going to charge maybe a \$500 one-time fee for battery electric vehicles since they are paying zero gas taxes? Would that be not only good for the industry, but just fair for people who are paying gas tax versus people who aren't?

Mr. JEFFERIES. I think whether it is autos, or trucks, or any other form of transportation used in the highways, we think it is appropriate that they pay for the infrastructure wear and tear they cause.

Senator MORENO. Gotcha. Well, hoping that in the big beautiful bill we can put in a \$500 one-time fee for battery electric vehicles, \$250 for hybrids, or raise over \$12 billion over the budget window and start addressing some of that shortfall.

So, I urge my colleagues to consider making that happen. I guess—question to you Mr. Gilbertson. In your mind, what is holding back innovation in your industry? What is the main impediment to innovation?

Mr. GILBERTSON. Senator, it is a good question. I am not sure there is a clear answer. I mean, there is a financial component to it. There is a regulatory component. And there is innovation occurring, as I mentioned. It is powerful. It not only improves safety, it improves our offering to our customer. And we absolutely need to do it. When you know the delivery minute of your pizza, but we can't tell you the delivery day of a rail car, we have a problem.

Senator MORENO. I am very aware. When I was in the retail automotive business, we would of course always be delayed by the cars that were sold. And the cars that we didn't want arrived immediately and on time. So, question for you, Mr. Cumber. I want to emphasize, there is clearly a difference between freight—and the Government doesn't own any freight trains, correct?

Mr. CUMBER. Not that I am aware of.

Senator MORENO. Gotcha. OK. Thank God we lose hundreds of billions of dollars there. But we do own—we are responsible to fund Amtrak, correct?

Mr. CUMBER. Correct.

Senator MORENO. So I grew up in South Florida, so you don't have to ask me to visit. Although this time of year it is insanely hot, even by D.C. standards. But if I were to go from Miami to Orlando, I have two choices for rail. I can go on Amtrak or go on Brightline. What is the average speed that you travel between Miami and Orlando?

Mr. CUMBER. Our trains go about 110 miles an hour.

Senator MORENO. And what is the average speed of Amtrak?

Mr. CUMBER. I believe it is somewhere in the 40 to 50 mile per hour.

Senator MORENO. Gotcha. So you can get to Miami or Orlando in about 3 hours with Brightline, seven and a half hours on Amtrak.

Mr. CUMBER. And if I could add one more thing to that. I believe Amtrak runs twice a day. We run 36 trains, one-way trains between Miami and Orlando. So the frequency is a big difference too.

Senator MORENO. Gotcha. I know I am over time, so I am going to cut to the chase of my line of questioning, but if you look at the stations, the modern cabin, I am not trying to do a commercial for Brightline, but it is night and day. It reminds me of a Russian car from the 70s versus a modern vehicle today.

Why are we even in this business? Why are subsidizing or owning passenger rail in America when we have absolutely—we are terrible at it. The Government is objectively really, really bad at running that. If we had Government airlines, holy lord, can you imagine what that would look like?

Why don't we just get out of that business completely, let the private sector run it? Is that something that—I would ask all four of you just to quickly comment. Does that seem like a reasonable approach to just say we have given it the freshman try, like we have, I don't know, 60, 70, 80 years.

It has not worked. We have lost hundreds of billions of dollars, and objectively provide terrible service. Going 40 miles an hour from Miami to Orlando is insane. Nobody wants to answer that question.

[Laughter.]

Mr. ANTHONY. Well, Senator, I will just say I am from South Florida, too. I am from Belle Glade, Palm Beach County, Florida, and I have ridden Brightline. I think a public-private partnership, local leaders are not opposed to that. They just want partners. And I would be very open to our members considering that.

Mr. JEFFERIES. I would just add that, you know, it probably depends on the situation, right, because—and what the motivation is. Is it a public service or is it a private enterprise? And in certain parts of the country, where Mr. Husain is operating, for example, and I bet he wants to expand to other areas, there is lots of opportunity for private enterprise to thrive.

Congress has made the decision that it also wants to provide other services that are going to be inherently money losing. And as long as that is the point of view, then that service needs to be provided as well. So it is probably not an either/or. It is probably a situational situation.

Senator MORENO. Yes. The only thing I would say is that providing air travel is also a public service, but there is no Government-owned airline for good reason. So with that Chairman, I am over my time, but thank you for giving me the opportunity.

Senator YOUNG. Thank you, Senator. Senator Luján, you are recognized for questions.

**STATEMENT OF HON. BEN RAY LUJÁN,
U.S. SENATOR FROM NEW MEXICO**

Senator LUJÁN. Thank you, Mr. Chairman. Mr. Jefferies, as you may be aware, I have pushed for robust funding and support for Amtrak to improve and expand our Nation's long distance rail network. I have heard story after story about horrific tragedies that should have been able to be prevented, delays, cancelations.

Now, in 2023, the Southwest Chief had the second lowest on time performance rate of all the long distance routes, getting customers to their destinations on time only 34 percent of the time. And in 2024, we saw modest improvement to 45 percent. As you know, this is not just an issue for us in New Mexico, my colleagues in Kansas, and in other states. It is generally Senator Moran that will pull us all in to have conversations about the Southwest Chief as well.

Many Amtrak routes like the Southwest Chief suffer poor on-time performance in part because they operate primarily on tracks owned and dispatched by freight railroads. Multiple members of AAR, including Norfolk Southern and Union Pacific, have been the focus of Federal investigations due to their role in Amtrak's poor on time performance.

My question is, how is AAR pushing its members to ensure Amtrak has preference over freight transportation as required by law?

Mr. JEFFERIES. Thank you for that question. And there are many aspects to it. So, you know, Congress some time back required that the DOT create regulations defining on-time performance. And the DOT did that a few years ago.

And following that, the host railroads and Amtrak got together and said, OK, given that this is the world we are operating under, let's figure out the schedules that make sense, because some of those schedules hadn't been updated for decades. And so, almost every route has now an agreed upon schedule so that the host and Amtrak can at least—are operating from the same terms of what is on time, what is not.

And while we have seen a lot of progress in a lot of areas, I just got a presentation from the Amtrak president last week, certainly long distance routes and the Southwest Chief in particular, we haven't seen the progress that, you know, we have seen in the State-supported routes, for example. It is incumbent that we provide the appropriate level of preference.

Now, preference means that—you know, I think there is different points of view. Preference, in our view, means reasonably providing Amtrak preference to move ahead. So pulling over trains to allow for Amtrak to proceed. What it doesn't mean is kind of a Cadillac motorcade where everything is cleared out and everything stops while the Amtrak train moves forward. So there is a balancing act there.

We are not where we want to be, not where we need to be, especially with long distance. So, the work continues. I am encouraged by the trend lines going in the right direction. Not nearly as steep, as I know folks like yourself and Mr. Moran and others would like to see, and certainly aware of that. So we have got to keep working.

There is probably some infrastructure investment required in certain areas to build out additional sitings, et cetera, especially in

rural areas that have single lines to allow for trains to get out of the way. But we have got more work to do, and we will keep working it.

Senator LUJÁN. Appreciate that. Mr. Anthony, last year, a BNSF railways freight train derailed near Manuelito, New Mexico near Navajo tribal lands. Two of the train cars caught fire, which caused the evacuation of nearby families.

However, authorities were significantly delayed in alerting nearby Navajo members. In your written testimony, you mentioned a need for improvement in information sharing between railroads, city leadership, local first responders, and I would add tribal authorities to the list.

Can you speak more about specific initiatives that could help get information out faster to those impacted?

Mr. ANTHONY. Thank you, Senator, for that question. We truly believe that local government, the first responders, the medical professionals, should be as a part of the communication plan for the railroad industry. We think that as apps are developed, as AI is utilized, local leaders need to be at the table.

What we are seeing, though, is again where communities are being economically impacted in a negative way because sometimes two to six hours of a blockage has caused families not to be able to get to work and medical responders not to be able to support the lives of those in that community.

And so, we are saying that it has to start with local communication, local engagement, because communities are being economically destroyed because many of the rail systems aren't communicating with them—and tribal communities.

Senator LUJÁN. I appreciate that, sir. Mr. Cumber, I appreciate the work your company has done to expand railways to multiple communities in Florida, Nevada, and California.

However, I do have a concern that rapid expansion is done sometimes at the expense of safety. On average, Brightline has more than 11 times the incidents of Amtrak, and over 4 times as many that led to injury or death.

What is your company doing to improve safety on your railroads, and what promises can you make to this committee going forward?

Mr. CUMBER. Thank you for that question, Senator. So safety is and always will be the number one priority for Brightline. Trespassing activity has been the root cause of each and every incident along our corridor.

Our Florida project has 331 active grade crossings, and we are in the process of making improvements to every single one of those crossings. Both the State DOT, and local communities, and ourselves, and the Federal Railroad Administration have come together where there will be \$65 million in improvements made over the next 2 years at those crossings.

That is possible because of the grant programs that this committee has created where we have been able to partner and make those improvements. I will tell you our Brightline West project will have zero grade crossings because we are in the median of the highway.

And so, any future project that Brightline looks at, we are going to first be looking at right of way options to create sealed corridors

instead of having corridors where there would be a significant number of grade crossings.

The other thing that is important to mention is, I am not going to sit here and say that the initiatives that we have come up with raised medians, you know, exit gates, delineators in the highway are the final solution. We need to work together to find new ideas. And we at Brightline have an open door policy that we will meet with any company that has a technology or physical solution to stop trespassers from coming into the corridor.

And I want to commend the Federal Railroad Administration, and our State DOT in Florida, who have said that if we find programs that we can pilot in the corridor, they will partner with us to fund those.

And so, you know, I want to make that very clear that for, you know, people that are even watching this, we have an open door policy that, you now, that technology is one of the solutions, but there is also probably some physical solutions out there as well.

Senator LUJÁN. Appreciate that. Thank you, Mr. Chairman.

Senator YOUNG. Senator Kim, you are recognized for questions.

**STATEMENT OF HON. ANDY KIM,
U.S. SENATOR FROM NEW JERSEY**

Senator KIM. Thank you, Chair. Mr. Anthony, I just want to pick off where my colleague left off. You talked about some of the problems that come with, you know, delays and other challenges—workers not being able to get to work. I mean, we have a lot of problems with that in New Jersey.

You know, a lot of difficulties on that front. And I think just in general with the Northeast Corridor, I just wanted to ask you, do you agree that the Northeast Corridor is critical for our Nation's economic strength and security?

Mr. ANTHONY. Yes.

Senator KIM. Now, I guess I would just like to think through, what are the types of steps that we need to do to be able to further ensure that? And one of the things that we tried to do here in Congress was through the bipartisan infrastructure law. And I guess, I just wanted to ask you to share how that law supported much needed updates to the Northeast Corridor and why those investments are crucial for our rail system?

Mr. ANTHONY. Well, for local communities to be able to have a rail stop in their community, it means a lot. It means more jobs, more innovation, more money in the communities for investment and reinvestment. Small businesses prosper because of a hub being created and a stop in that community.

But it also means in some ways that they need to be more engaged in the planning and the stop—in the rail stop in their communities. And that is what we are fighting for as local leaders. It is just making sure that we do recognize that it is important, but it also has to be planned and developed within our community, and we need that support.

Senator KIM. And have it thought through with a sense of strategy, right. A sense of coordination and purpose. Do you feel like the bipartisan infrastructure law was successful in trying to start that process for another generation of changes?

Mr. ANTHONY. We do. We do think that, and we have been very supportive with USDOT to make sure that it is implemented effectively in communities.

Senator KIM. But clearly not—you know, clearly the work is not done though, right. Like there is more that we need to continue on to. And in particular, I just wanted to ask, you know, we have tried to engage in advanced appropriations through the bipartisan infrastructure law for entities like Amtrak to supercharge our capital investments like state of good repairs. Are those the types of things that you are hoping that we are continuing forward to be able to help support some of these advancements?

Mr. ANTHONY. Yes, we need continued funding.

Senator KIM. When I think through the challenges that we face, for instance, in New Jersey, and we were entering into hurricane season, we have had a lot of disruptions in the past when it comes to transit and whatnot due to the storms.

And you know, across this country, we have a lot of different issues that are out there. How important is it for us to think through climate resilience when it comes to what comes next for a strong and effective rail system, Mr. Anthony?

Mr. ANTHONY. I think sustainability, climate resistance has to be considered as a part of any plan for rail investment and rail development. And our local communities are working with the rail industry to be able to bring those types of issues into the conversation.

Senator KIM. Mr. Jefferies, do you agree with that? I mean, when we are trying to think through how to be able to move this forward, I am trying to think through how are we prioritizing the need for that resilience, especially when we worry about disasters and other types of means.

Mr. JEFFERIES. Sure. From the freight perspective, you know, one of the things we are most proud of is following a hurricane, for example, we are often the first mode that is back up and running. But we are investing across the network in particularly sensitive areas.

Think about, you know, Louisiana Basin, for example, to raise tracks, literally, increase the amount of bowels so tracks are higher off the ground, so when we do experience flooding events, we are allowed to continue to provide service to customers and communities in which we operate.

And that is a long term project. When you are thinking about the NEC, New York in particular, obviously those infrastructure challenges are a completely different animal. But as you make these generational investments to replace Portal Bridge, for example, to build in the new tunnels, that has got to be a consideration, right.

You have got to have a more robust product out there that allows the passenger side to continue to operate in rough conditions, or get back online more quickly, and have that infrastructure hardened, especially the electronic side of it all so that it doesn't get knocked out for an extended period of time.

Senator KIM. Yes. I mean, that has been part of what we were thinking about with the Gateway Project and others, trying to make sure this is resilient given what we said about the critical nature. Mr. Jefferies, are there other types besides raising the rails

and other type of resilient steps you think we need to be prioritizing as we are thinking about it here in the Senate?

Mr. JEFFERIES. I mean, I think about it as operational resilience and infrastructure resilience. So operationally, you know, the better information we have as far as weather events, et cetera, the better we can plan and pre-position assets. We are certainly not the airline industry.

It takes more than one night to reposition things, but we can take steps in advance. Get, you know, our assets out of harm's way so that we can bring them back in shortly after. On the investment side, you know, it is really about, I think, partnering with communities to ensure what their needs are, and identifying those high impact projects, and making sure you reduce the amount of time or the amount negative impact so that we can continue to serve communities.

Because it is immediately during and after major weather events that communities are in the most need, and often the rail is the best way to get in there, so we want to make sure we can continue to do that.

Senator KIM. Great, thank you. And with that, I will yield back.

Senator YOUNG. I will welcome a second round of questions for those members that want to ask them. I have one theme I would like to pick up on, and that is overly prescriptive rules, outdated rules, things that inhibit innovation and operational capacity.

If I were to give you 30 seconds, Mr. Jefferies and Mr. Gilbertson and Cumber, you may have thoughts along these lines as well. But 30 seconds, are there any specific or outdated rules or regulations you would just like to underscore the importance of revisiting or potentially even eliminating to facilitate more innovation in the industry?

Mr. JEFFERIES. Well, we hit on track. Signal inspections, locomotive inspections, break inspections, the list goes on. That is basically every aspect of our operations which is done in a backward looking, manual way. And there should be nothing controversial about looking forward in a regulatory structure.

Again, we are talking about outcomes based regulations that advance safety in a data driven way. That should be very straightforward. And so, we are looking across the regulatory spectrum. And the way to do this—if you give me one second, the way to do this is by effective pilot and waiver programs that are judged clearly and transparently, allow you to build data sets.

Last Administration, we weren't even getting programs rejected. We just weren't getting answers. So much so that we had to go to court to get an answer on six different requests, and then they were promptly granted. We didn't even have to litigate because it was politically motivated. It was not a safety issue. Thank you.

Senator YOUNG. Obviously unacceptable. Mr. Gilbertson

Mr. GILBERTSON. I would just echo the waiver process is crucial. It permits us to experiment in a narrow defined, data defined way. If it works, let's share that information. If it doesn't, we are not changing the system.

Senator YOUNG. Yes. Thank you. Mr. Cumber, do you feel like you have anything to add here? Yes, sir.

Mr. CUMBER. The other thing I would add is the waiver process that everyone has mentioned, I think there needs to be clear timelines behind it. And right now when a waiver is requested from FRA, there is no prescribed timeline as to when it needs to be decided.

Senator YOUNG. Thank you. Mr. Anthony.

Mr. ANTHONY. I would say we are supportive of streamlining the process for infrastructure projects as long as it does not neglect the environmental impacts.

Senator YOUNG. Excellent. Mr. Moreno—Senator.

Senator MORENO. So just quick, quick final round of questions. I think it bridges, Mr. Chairman, to what I think we can have as our next hearing. So Mr. Cumber, you get—obviously, I am going to give you an obvious question. Passenger rail, no matter how well it is done, no matter robust the private sector creates, you are not going to solve the problem of everybody being able to get from point A to point B where they need to go, correct?

Mr. CUMBER. Correct.

Senator MORENO. So there is this great business called the automobile business that allows you to do that. So Mr. Anthony, I am going to go back to you because you are the one person that is looking at more of a wider aperture here because for you, I think you would agree that the big priority has got to be you got to connect jobs and people. Really important. Do you agree? Want to expand on that?

Mr. ANTHONY. Yes, I do think that is very important, and that is why we think there should be a connection to the transit systems, whether it is the airport, whether it is rail, whether its Brightline.

And that mid-connection is important because it is used for families to be able to have quicker access to their kids, schools, travel. So we are very supportive of that because it does create job and opportunities for communities.

Senator MORENO. But a good old-fashioned automobile is what really allows you to go from point A to point B very efficiently. And if you look like in cities like Cleveland or Columbus or Cincinnati, where there is massive teen unemployment, being able to have an affordable way to get to work is really important because you don't always know where the jobs are going to be.

Sometimes they end up being in the suburbs and there is no mass transit connection. And there is massive disparities when somebody has got to take four or five busses or a train to get from point A to point B, to get to work. Like something happens. They show up late. They end up being fired. I mean, those are problems that you see every day, right.

So one of the things that I am concerned about, Mr. Chairman, this is where I was getting to, is in the last 4 years, the average price of an automobile went up \$8,000—\$8,000. The average price for a car is now \$50,000. There is virtually no new cars sold that are less than \$25,000.

The average used car is now in the \$20s. I used to be in the car business, and we would have a part of our website that says, cars that you can buy under \$10 grand, which are the cars that those teenagers need to get into the workforce. That doesn't—there is no

such—it is gone. There is not even cars under \$20,000 that are reasonable to get.

And I think, Mr. Chairman, one of the things I am getting to hear is I would urge you to have—let's have a hearing to talk about what we can do here in the Federal Government to stimulate an ecosystem that allows this country to go back to be able to make affordable automobiles for working Americans and for families.

Because if you look at the average car payment—Mr. Anthony, I will have you end with this. How many people do you know that are working Americans that can afford a \$650 a month car payment?

Mr. ANTHONY. Wow, that is pretty high, Senator. I can't give you a number on that.

Senator MORENO. Pretty low, right?

Mr. ANTHONY. Pretty low, yes.

Senator MORENO. So, we are excluding a huge portion of the population from affordable transportation and urge us to have a hearing on that, what we can do. And it is—I will give you the headlines, it is over regulation by the Federal Government, obscenely stupid mandates, features on automobiles that are totally unnecessary that is driving up the price of cars.

You know, there has been a lot of talk about this bipartisan infrastructure law that passed. In that law, there is a detection device that is going to be required on automobiles to detect whether you are impaired. I don't even drink.

Why in the heck am I paying for a detection device in my automobile to see if I drank alcohol? That adds enormous cost to the price of automobiles. So we really, I would just urge you again, I don't think if I have made my case clear, that we should have a hearing on the price of automobiles.

Senator YOUNG. I thank you Senator Moreno. And I would say I too have been in the automobile business. In fact, I am very much in it right now because I have four teenage children and I feel deeply in the auto business, so I have every incentive to make sure that we adopt the most—the smartest policies for middle class families when it comes to this.

And thanks so much for your leadership on this issues. Senator Markey is recognized to ask questions.

**STATEMENT OF HON. EDWARD MARKEY,
U.S. SENATOR FROM MASSACHUSETTS**

Senator MARKEY. Thank you, Mr. Chairman, very much. And I am glad this committee is kicking off its Surface Transportation Reauthorization process with a hearing about rail. The bipartisan infrastructure law provided a down payment on modernizing our rail system.

This law has helped jumpstart exciting projects across the country, including the long held dream of West-East rail across Massachusetts. But this work is only just leaving the station. We must continue to invest in rail to advance many of these critical projects.

Mr. Anthony, do you agree that the next Surface Transportation bill should continue the infrastructure law's significant long term funding for rail?

Mr. ANTHONY. Yes, sir.

Senator MARKEY. Thank you. Do you agree that pulling back on rail funding could discourage communities from launching future ambitious rail projects due to concerns that Federal support is unreliable?

Mr. ANTHONY. Yes, sir.

Senator MARKEY. So as we make these transformative investments in our rail system, it is crucial that we invest in rail electrification. Mr. Cumber, your company is currently building a high speed electrified rail line between Southern California and Las Vegas. What are the specific benefits of an electrified rail line for this project?

Mr. CUMBER. Thank you, Senator, for that question. So there is definitely a need for electrified trains in the U.S., and it is for several reasons. Number one, for the system that we are building at Brightline West, you need the acceleration. They are a lighter weight so you can get to the 200 mile per hour speeds.

You have the horsepower and torque as well and you can take larger grades. And so, when you are going through geography like the Cohoan Pass, you would not be able to do that with a diesel train or a hydrogen powered train.

Senator MARKEY. Yes. So, higher speeds, faster acceleration, better torque to traverse difficult terrain. It also cleans our air and eliminates emissions and delivers a better rail system overall. And that is why I am soon going to be reintroducing my All Aboard Act, which would invest over \$200 billion over 5 years in America's rail network.

The bill would build on the infrastructure law by providing billions to build and operate high speed rail, expanding existing passenger rail service and improving rail safety. And we would also invest in electrifying the highest traffic corridors of our Nation.

The All Aboard Act sends the message that our investment in rail is picking up speed, not hitting the brakes. And I look forward to working with the Committee on this issue during the reauthorization process.

So, let's turn to workers who keep our trains running. Mr. Cumber, although Brightline has an excellent relationship with its 13 rail unions out West, in Florida, Brightline's operations have been starkly different. In Florida, Brightline has aggressively sought to overturn a successful organizing drive by its operation workers under the Railway Labor Act.

Brightline argues that it is not subject to the Railways Labor Act and therefore its workers cannot organize under the law. That is unacceptable. Under Federal law, any company that accepts a grant from the Consolidated Rail Infrastructure and Safety Improvement Program is subject to the Railway Labor Act.

Mr. Cumber, did Brightline accept that grant for its Florida line from the Consolidated Rail Infrastructure and Safety Improvements bill?

Mr. CUMBER. Thank you, Senator. So, yes, we did. And I want to be very clear that Brightline fully supports the right of our teammates to seek union representation. We simply believe in this case that the National Mediation Board did not have jurisdiction here, and that the carrier at Brightline floor is not a carrier subject to the RLA.

So those activities should have been conducted under the auspices of the National Labor Relations Board. I want it be clear that this is a jurisdictional dispute. This is not a dispute on whether we want our employees to have the ability to organize.

Senator MARKEY. Well, you know, as you know, most recently, the National Mediation Board, which mediates disputes between railroads and their workers, ruled in favor of the workers.

And from my perspective, that should be the end of the matter. I understand that you are trying to make this into a procedural issue, but there has been a substantive decision against you, you know, on behalf of the workers. And what you are doing is actually prolonging this progress—this process. And I just want to make the point that I just disagree with you.

And in terms of having devices in automobiles to detect alcohol, it is really intended for safety purposes. 40,000 people died in auto accidents last year, and many of them are younger people.

And when that—who just are kind of getting introduced to driving and to alcohol. And the fact that these cars would then be protected against the accidents that sometimes occur I think is a good thing and I don't think that we should be repealing that kind of a protection.

And I just wanted to put that up because I was a part of the team that put that regulation on the books. So, let me just turn back to you, Mr. Chairman, with thanks.

Senator YOUNG. Well, thank you, Senator Markey, for those questions. And I want to thank all of our witnesses for your important testimony today. I think the members have learned a lot. And my hope is that we might stay in touch as we work on this important reauthorization legislation.

So, we will look forward to further counsel from you and others in your organization. Senators will have until close of business on Wednesday, June 25, to submit questions for the record. Witnesses will have until the end of the day on Wednesday, July 9 to respond to those questions.

This concludes today's hearing. This committee stands adjourned. [Whereupon, at 11:44 a.m., the hearing was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF ANNE C. REINKE, PRESIDENT AND CEO, INTERMODAL ASSOCIATION OF NORTH AMERICA (IANA)

On behalf of the Intermodal Association of North America (IANA), thank you Subcommittee Chair Young, Ranking Member Peters, and Subcommittee Members for convening this hearing to discuss opportunities to improve programs and regulations impacting the rail industry under the next surface transportation reauthorization.

As the only transportation trade association that represents the combined interests of intermodal freight providers and customers, IANA represents more than 1,000 corporate members, including railroads, ocean carriers, ports, intermodal truckers and over-the-road highway carriers, intermodal marketing and logistic companies, and suppliers to the industry. IANA's associate (non-voting) members include shippers (defined as the beneficial owners of the freight to be shipped), academic institutions, government entities, and non-profit trade associations.

Unlike single transportation modes, intermodal freight supply chains are comprised of distinct service providers that work in concert to complete intermodal movements. Each link is a vital component of the overall intermodal supply chain and must operate safely, seamlessly, and efficiently to uphold systemwide performance and productivity levels. Railroad operators are a critical service provider in the interconnected intermodal supply chain. The intermodal industry moves approximately 18 million containers by rail annually.

Recognizing the broad range of issues under the Subcommittee's jurisdiction, IANA looks forward to working with you to advance a surface transportation authorization law that increases intermodal supply chain efficiency, promotes safety and innovation within the industry, and fosters economic growth and competitiveness.

Regulatory Approach

Intermodal allows beneficial cargo owners to utilize the best and highest use of each mode. Rail, for example, offers an environmentally superior long-distance movement, capable of moving one ton of freight nearly 500 miles on a single gallon of diesel fuel. Rail also boasts an impressive safety record that continues improving year-after-year.

While rail customers view fuel efficiency and safety as "benefits," railroads view them as achievements resulting from decades of private investment, innovation, and workforce development. These achievements are only possible through a regulatory framework that allows railroads to focus financial and personnel resources on key infrastructure upgrades and emerging technologies.

Any changes to the regulations governing rail, and likewise any mode, must be founded in credible research rather than assumption. At a minimum, this research must: 1) show that new regulations would yield a safety improvement; and 2) contemplate downstream consequences of said regulation (for example, the consequences of a regulation aimed at reducing rail-related emissions might include forcing a shift away from rail to a less fuel-efficient mode).

While I recognize this Committee is responsible for Federal rail policy, individual states continue to threaten overall network fluidity with proposals such as the California Air Resources Board (CARB) In-Use Locomotive Regulation. The regulation proposes unrealistic phase-out dates for current diesel configurations and jeopardizes interstate freight rail operations. While CARB withdrew its authorization request to the U.S. Environmental Protection Agency (EPA) earlier this year, I urge continued vigilance against state laws and regulations that threaten national freight efficiency and interstate commerce.

Rail safety continues to improve due to a high level of private investment, a well-trained workforce, and a commitment to ongoing research and development. Federal Railroad Administration (FRA) data shows that the railroad accident rate declined by 33 percent between 2005 and 2024. New burdens on the railroad industry that are not directly linked to safety improvements will adversely impact the industry's

ability to make critical investments in safety technologies as well as other innovations necessary to remain competitive and to address customer needs.

Network Resilience

The supply chain has been challenged by a number of events in recent memory. COVID-19, the collapse of the Baltimore's Francis Scott Key Bridge, and severe weather events have all caused supply chain disruption as shippers, equipment suppliers, and logistics managers work to reroute freight with little-to-no advance warning. Despite these challenges, intermodal freight has proven its resiliency by leveraging the strengths of rail, road, and water transport. The industry was able to remain nimble and keep critical goods moving in each instance, minimizing the cost and level of disruption.

While it's unclear what the next catastrophic event may be, in all likelihood disruption is on the horizon. Railroads will continue investing and innovating to prepare their infrastructure for these events. We encourage Federal coordination to convene various supply chain stakeholders and coordinate a high-level response to supply chain disruptions. The U.S. Department of Transportation's Office of Multimodal Freight Infrastructure and Policy (Freight Office) has played a critical role in such coordination, particularly when time is of the essence to quickly identify alternative routes and prevent further disruptions. IANA has been a longstanding supporter of this office and encourages Congress to provide the necessary resources for the Freight Office to continue its important work.

Federal Funding

Intermodal freight projects are complex and there are limited Federal programs available to support these critical supply chain projects. IANA urges Congress to increase the availability of funding for intermodal freight infrastructure in the forthcoming reauthorization, and of relevance to this hearing, those that provide for investment in freight rail infrastructure. The Consolidated Rail Infrastructure and Safety Improvements Program (CRISI) and Railroad Crossing Elimination Grant Program (RCE) are essential programs for freight rail and its surrounding communities. While not rail specific, the Nationally Significant Multimodal Freight and Highway Projects program (INFRA), National Infrastructure Project Assistance grants program (Mega), and the Freight Formula Program include eligibility for projects that strengthen rail infrastructure and minimize the impact of nationally and regionally significant freight movement on local communities. These programs all encourage public private partnerships and demonstrate a Federal interest in boosting the competitiveness of U.S. freight in foreign markets.

IANA recommends improvements to competitive grant programs that reduce application burdens, expedite grant agreements, and streamline funding delivery. Congress could implement requirements such as limiting the page length of notices of funding opportunity; requiring USDOT to maintain a public dashboard of funding opportunity timelines; and, ensuring USDOT publishes a template grant agreement at the time of award notice.

Decreasing project delivery timelines is critical to maximizing investments. We urge Congress to legislate permanent, bipartisan solutions that provide consistency and clarity to the complex process of permitting infrastructure projects. Once legislated, strong Congressional oversight is needed to ensure that Federal agencies implement these policies and that they are consistent with Congressional intent.

Cargo Theft

In recent years, instances of organized cargo theft and fraud have increased at an alarming rate. All modes, including rail, are vulnerable and targeted. I applaud the Committee's commitment to addressing the problem by holding a hearing on February 27, 2025 (*Grand Theft Cargo: Examining the Costly Threat to Consumers and the U.S. Supply Chain*) and also by approving the Household Goods Shipping Consumer Protection Act (S. 337), a bipartisan proposal led by Senators Deb Fischer (R-NE) and Tammy Duckworth (D-IL).

These crimes impose significant financial burdens that ripple through our supply chains and economy. Impacts include cargo loss, equipment damage, increased insurance costs, and delivery delays. American households pay the price.

While industry can deter criminals, it is law enforcement's responsibility to identify and charge them with crimes. It is likely that theft, fraud, and cyber-security attacks aimed at freight transportation will require a host of solutions, and we applaud Congress for its dedication to identifying bipartisan approaches, such as the Household Goods Shipping Consumer Protection Act as well as the Combating Organized Retail Crime Act (S. 2853). Both bills would make meaningful changes at the Federal level to identify, prosecute, and deter cargo theft. A coordinated, national response is needed to address this growing threat by improving enforcement capa-

bilities and fostering increased collaboration across relevant federal, state, and local agencies.

America's economic competitiveness depends on a modern, efficient, and resilient intermodal rail system. IANA stands ready to work with Congress to support targeted investments, smart policy reforms, and collaborative initiatives that modernize rail infrastructure and position the intermodal freight network for long-term success.

Thank you for your leadership on this important issue, and for the opportunity to share our perspective. We look forward to working with you and would welcome the opportunity to further engage with your offices. If you or your staff have any questions, please do not hesitate to contact me at areinke@intermodal.org or 301-982-3400.



August 6, 2024

Dear Member of Congress,

Reflecting on four years of achievements in his farewell address, President Trump suggested that deregulation might have been the most significant accomplishment of all. Under his administration, the United States government eliminated more than two old regulations for every new regulation adopted. The results were unmistakable: a stronger economy that delivered results for the American people.

Perhaps nowhere has this been so clear as for privately-owned freight railroads. For four years, the Trump administration repealed unneeded regulations, rejecting special interest calls to impose policies unrelated to the core focus of the U.S. Department of Transportation: advancing safety. Policymaking was based on sound data, and it showed: train derailments were down on average compared to the Obama administration.

Unfortunately, today, some Republicans are falling prey to the idea that government regulators can deliver better results on rail than free markets and a pro-growth economy. History proves otherwise: railroads exist today in large part due to deregulatory efforts that took place nearly half a century ago.

Proposed legislation like the Railway Safety Act in the Senate and the Railroad Safety Enhancement Act in the House ignores these hard lessons of the past. Purporting to respond to the 2023 derailment in East Palestine, Ohio, many of these bills' provisions (e.g. two-man crew mandates) look more like regulatory opportunism, with no grounding in the facts—not even according to the safety report compiled by a Biden-appointed National Transportation Safety Board (NTSB).

These bills fly in the face of the Trump legacy of eliminating unnecessary, burdensome, and costly regulations. Republicans must not turn their backs on the reality that American railroads are safer than ever before. Despite recent high-profile incidents, hazmat incidents are down 78% since 2000, and mainline accidents are down 44% thanks to private capital investment and technology upgrades empowered by the free market over the years.

We already have enough regulation and stagnation. We don't need more. We simply need to unleash America.

Thank you,

Paul Teller
Executive Director
Advancing American Freedom

Brent Gardner
Chief Government Affairs Officer
Americans for Prosperity

Hon. Samuel K. Skinner 10th U.S. Secretary of Transportation	Jameson Taylor, Ph.D. Center for Political Renewal (CPR)
Allen Mendenhall Associate Dean and Grady Rosier Professor Sorrell College of Business at Troy University*	Michael Munger Depts. of Economics and Political Science Duke University*
John R. Toedtman Executive Director Caesar Rodney Institute	Pete Sepp President National Taxpayers Union
Stephen Moore Co-Founder Unleash Prosperity Now	Richard Viguerie Chairman ConservativeHQ.com
Russ Brown President Center for Independent Employees	Patrick McLaughlin Sr. Research Fellow, Dir. of Policy Analytics Mercatus Center, George Mason University*
James Taylor President The Heartland Institute	Cameron Sholty Executive Director Heartland Impact
Ralph Benko Executive Chairman and Co-founder The Capitalist League	David Williams President Taxpayers Protection Alliance
Sal Russo Co-Founder and Chief Strategist Tea Party Express	Scott Shepard General Counsel National Center for Public Policy Research
Dick Patten President American Business Defense Council	C. Preston Noell III President Tradition, Family, Property, Inc.
Saulius "Saul" Anuzis President The American Association of Senior Citizens	Eli Lehrer President R Street*
James L. Martin Founder/Chairman 60 Plus Association	Daniel J. Erspamer Chief Executive Officer Pelican Institute for Public Policy
Ryan Ellis President Center for a Free Economy	Alfredo Ortiz CEO Job Creators Network

An asterisk (*) indicates that title and organization is provided for identification purposes only

John Hart Executive Director C3 Action	Richard Manning President Americans for Limited Government
Yaël Ossowski Deputy Director Consumer Choice Center	Andrew Langer President Institute for Liberty
Paul Gessing President Rio Grande Foundation	Karen Kerrigan President & CEO Small Business & Entrepreneurship Council
André Béliveau Senior Manager of Energy Policy Commonwealth Foundation	Garrett Ballengee Executive Director Cardinal Institute for West Virginia Policy
Charles Sauer President Market Institute	Matthew Kandrach President Consumer Action for a Strong Economy
David R. Henderson Research Fellow Hoover Institution, Stanford University*	Tom Giovanetti President Institute for Policy Innovation
Timothy H. Lee Senior Vice President of Legal and Public Affairs Center for Individual Freedom	Carol Platt Liebau President Yankee Institute
Mike Stenhouse CEO Rhode Island Center for Freedom and Prosperity	Matthew Gagnon Chief Executive Officer Maine Policy Institute
Sam Aaron Policy Analyst South Carolina Policy Council	Ethan Peck Deputy Director Free Enterprise Project

An asterisk (*) indicates that title and organization is provided for identification purposes only.



**OFFICE OF
CONTROLLER/
ADMINISTRATOR**
231-398.3500 | Fax 231-723-1795
Manistee County Courthouse
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Re: Manistee County Safer Southern Rail Route

Our community for over 30 years has sought to improve the commercial rail service that supports our manufacturing sector yet eliminate US-31 highway crossings and rail yards that are undesirable residential and commercial areas.

We are grateful for the \$530,000 Freight Railroad Administration grant allowing for the planning phase of our Safer Southern Rail Route. The project needs stem from safety concerns, outdated rail infrastructure surrounding Manistee Lake and the adjacent downtown areas.

The proposal of a new southern segment will result in eliminating four street crossings (2) US-31 intersections, one pedestrian, three marine crossings and a rail car staging area.

Although leading change is difficult, we are resolved that this will be a transformational investment for the entire community. Manistee is a coastal Lake Michigan town and has an award-winning beach front, with a deep-water channel connected to Manistee Lake and rivers. Anywhere in the world this area would be premium real estate except for the fact that rail lines impede access to most of the lake frontage and rail yards, just ½ mile north of downtown, create visual and noise pollution that precludes economic development. And so, compared to neighboring coastal Lake Michigan towns, Manistee has lower population growth, less tourism and lower economic growth.

Soon, the planning phase of this FRA study will be completed with extensive stakeholder engagement to ensure dialogue and input for designing the best route to earn broad community support.

I can't envision a better community investment that will improve the quality of life throughout our region! It will build essential railroad infrastructure for supporting our manufacturing sector that equates to quality job opportunities and cleans-up non-essential railyards for housing, recreation and community renewal private sector investments for a sustainable future. Manistee during the logging boom was one of the most prosperous towns in the world; yet those 131-year-old rail lines that once brought prosperity have created blight and now must be removed.

We look forward to advancing our project to the development phase hopefully through FRA project funding that is essential for completing this transformational Safer Southern Rail Route vision. The ROI economically is positive and environmentally and for quality-of-life improvements it's immeasurable.

Sincerely,

Lisa Sagala,
Manistee County
Controller/Administrator



June 17, 2025

Senator Gary Peters
 United States Senate
 724 Hart Senate Office Building
 Washington, D.C. 20510

Dear Senator Peters,

On behalf of the Shiawassee Economic Development Partnership, the economic development organization serving Shiawassee County, Michigan, I am writing to express our strong support for your continued efforts to enhance rail service and safety, both freight and passenger, in Michigan and across the nation. We believe that improvements in this critical infrastructure area can bring significant benefits to our community and contribute to our broader economic development goals.

As you are aware, rail service plays a pivotal role in the economic landscape of America's heartland. Enhanced rail safety, particularly for freight operations, has a direct impact on local businesses that rely on the efficient and timely delivery of goods. Safer and more reliable rail networks reduce the risk of disruptions that can affect supply chains and local economies. Moreover, as we have seen in comparable sectors, the introduction of technology and modernization efforts can greatly enhance safety outcomes, reducing accidents and saving lives.

Furthermore, improved passenger rail services can open new opportunities for our residents. Better connectivity with larger urban centers can enhance employment opportunities, promote tourism, and improve the overall quality of life by providing a convenient and efficient alternative to road travel. Our community is keen to see investments in new rail lines and the modernization of existing ones, which we believe will bolster regional economic growth and ensure the safety of all travelers.

Rail infrastructure projects also have the potential to create jobs, both directly and indirectly. From construction and maintenance positions to roles in hospitality and retail that arise from increased travel and commerce, improved rail services could provide a significant boost to local employment levels.

We commend your focus on infrastructure, exemplified by recent legislative efforts that prioritize safety, modernization, and investment. Just as the Infrastructure Investment and Jobs Act has demonstrated its potential impact on roads and bridges, we believe similar investments in rail services will yield significant dividends nationwide.



Considering these opportunities and challenges, we urge you to continue advocating for policies and funding that support the expansion and enhancement of our rail systems. We look forward to collaborating with you and your colleagues to achieve these goals, ensuring that our community and others across Michigan can reap the benefits of a safe, efficient, and modern rail system.

Thank you for your leadership and your commitment to Michigan's economic future. Please feel free to contact me if you need further insights or wish to discuss this topic further.

Sincerely,

A handwritten signature in black ink that reads "Justin Horvath". The signature is written in a cursive style.

Justin Horvath,
President/CEO
Shiawassee Economic Development Partnership



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June 24th, 2025

The Honorable Todd Young, Chairman
The Honorable Gary Peters, Ranking Member
Committee on Commerce, Science, and Transportation
Subcommittee on Surface Transportation, Freight, Pipelines, and Safety
United States Senate
Washington, DC, 20510

City of Detroit Statement for Record: Modernizing America's Rail Network

Dear Chairman Young and Ranking Member Peters:

Thank you for holding this hearing on Modernizing America's Rail Network. As the nation's capital for automotive manufacturing and the future of mobility, Detroit sits at the intersection for the movement of goods and people throughout the country. As such, Detroit is keenly interested in continued investment in the reauthorization of the Surface Transportation Bill that allows for the modernization and expansion of both passenger and freight rail infrastructure. The City of Detroit respectfully requests this letter be included in the hearing record.

Expand future passenger rail service opportunities in Detroit

- Detroit has partnered with Michigan Department of Transportation, Amtrak, and Ford Michigan Central to reestablish rail service at Michigan Central Station. This effort would create a new linkage connecting Detroit directly with Toronto by extending the existing Wolverine service to Windsor via Michigan Central Station which would bring an estimated 88,000 additional annual riders to Amtrak through Detroit beginning in 2028. As this project becomes a reality in the coming years, it will be imperative to ensure that Customs and Border Patrol (CBP) staffing levels are increased to allow for preclearance processing of rail passengers traveling between Detroit and Windsor.
- Detroit is supportive of the FRA Corridor ID Program which has provided funding to Michigan DOT to study several other passenger rail service expansion opportunities
 - Expand Wolverine passenger rail service frequency between Chicago and Detroit from 3 trains per day to at least 6 trains per day



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- Create new Detroit to Toledo passenger rail linkage to connect Detroit with broader regional and national rail network. This would potentially allow for a new rail connection between Detroit, Detroit Metropolitan Airport (DTW), and other destinations not currently served by passenger rail service.

Mitigate rail infrastructure negative impacts on Detroiters

- Detroit has more than 100 grade-separated rail crossings and bridges. Many of the grade-separated crossings were constructed more than 100 years ago and require substantial rehabilitation and investment due to falling concrete, outdated road design, and **insufficient height for modern freight traffic**. Currently, there is no dedicated funding to address these types of structures outside of Bridge Replacement Programs and the Rail Crossing Elimination Program, neither of which prioritizes replacement of existing rail bridge infrastructure over roadways. Current FRA funding is mostly geared towards removal of existing at-grade crossings rather than replacement of older bridge structures. Older cities like Detroit have grade separated crossings that are more than 100 years old and require substantial investments to address deferred maintenance and outdated designs
- Detroit also has 157 at-grade railroad crossings which creates **substantial traffic delays and increased risk of traffic crashes** for Detroiters. Some crossings have more than 60 trains per day resulting in blockages for several hours daily. In Detroit, there have been, 14 injuries or fatalities tied to trains near at-grade rail crossings over last 5 years. Detroit is supportive of the Rail Crossing Elimination Program to identify and remove problematic at-grade crossings **to the benefit of both city and rail traffic**.

Continue Surface Transportation Funding programs geared at rail infrastructure

- Detroit is very supportive of the reauthorization of the Surface Transportation Bill to ensure funding is available to work with rail partners to upgrade and invest in passenger and freight infrastructure. Detroit has prioritized partnering with public and private sector partners to maximize the impact of rail funding and projects on the City and its residents.
- Over the last 5 years Detroit has:
 - Received \$5.2M in Rail Crossing Elimination funding to start design on eliminating 4 at grade crossings and to rebuild 3 existing grade separated rail structures in Southwest Detroit. This project is being completed in partnership with MDOT, Conrail, and other private sector partners
 - Received \$67M in Consolidated Rail Infrastructure & Safety Improvements (CRISI) in partnership with MDOT and Norfolk Southern to modernize the intermodal rail yard



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in Southwest Detroit which will improve a major backbone of freight and logistics infrastructure in SE Michigan (Also known as the DIFT project) while adding substantial value to the community through the elimination of fugitive dust, increased screening, cleaner equipment, and improved routing of intermodal truck traffic.

- Received \$10M in RAISE/BUILD funding for multi-modal passenger rail and bus facility in partnership with MDOT and Ford Michigan Central
- Formula funding to State allows Detroit to participate in programs that fund and address outdated and unsafe at-grade crossings throughout the City

Recommendations for future transportation funding bill

- Continue to fund competitive grant rail programs (including the FRA Corridor ID, CRISI, and Rail Crossing Elimination programs) to boost passenger rail service, modernize freight rail infrastructure, and reduce negative impacts of rail infrastructure on communities like Detroit.
- Promote opportunities to upgrade rail to highway crossing infrastructure through FHWA competitive grant programs (including INFRA and RAISE/BUILD).
- Create new federal programs that can provide direct funding to cities to modernize rail infrastructure such as existing at-grade crossings and existing grade-separations.
- Allow for waived match requirements in disadvantaged communities or Areas of Persistent Poverty
- Increase funding to support operations and personnel for Customs and Border Patrol to facilitate preclearance staffing deployments

Respectfully Submitted,

Michael E. Duggan

Mayor, City of Detroit



SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

June 24, 2025

Statement regarding On the Right Track: **Modernizing America's Rail System**
Hearing before the Subcommittee on Surface Transportation, Maritime, Freight, and Ports

The Honorable Gary Peters, Ranking Member
Committee on Commerce, Science and Transportation
Subcommittee on Surface Transportation, Freight, Pipelines, and Safety
United States Senate
Washington, D.C. 20510

Dear Ranking Member Peters,

On behalf of SEMCOG, the Southeast Michigan Council of Governments, I am reaching out regarding the Surface Transportation, Freight, Pipelines, and Safety Subcommittee's hearing titled, "On the Right Track: **Modernizing America's Rail System.**" As the region's federally designated Metropolitan Planning Organization (MPO), SEMCOG represents local governments consisting of 4.75 million people. Through local planning, technical support, and intergovernmental resources, we remain committed to making the transportation system in Southeast Michigan safer, more efficient, and accessible to all. Modernizing the regional rail network will enhance efficiency, improve connectivity, and increase safety—while also **supporting jobs and strengthening the region's economic vitality.**

Southeast Michigan is a major national freight hub, moving a substantial volume of goods. Efficient freight movement is essential to the region's economic strength and competitiveness. Rail plays a key role in transporting high-value commodities such as finished vehicles, as well as facilitating the import and export of materials like aluminum, plastics, organic chemicals, iron, steel, fuels, agricultural products, and more. Rail is one of the most fuel-efficient modes of freight transportation. On average, freight rail moves one ton of freight nearly 500 miles on a single gallon of fuel.¹ This reduces overall fuel consumption, greenhouse gas emissions, highway congestion, and public infrastructure costs.

Rail System in Southeast Michigan

- 4 Class I railroads
- 900 miles of rail lines
- Approximately 1,000 at-grade crossings
- 2 international rail crossings
- 2 long-distance passenger rail routes connecting 20 communities
- Moves 204 million tons of freight a year valued at \$457 billion
- Accounts for approximately 15% of the goods moving by weight and 25% by value Michigan
- [Report Card for America's Infrastructure from the American Society of Civil Engineers](#) rated the condition of Michigan Rail Network a C, lower than the national average

¹ Rail Transportation & the U.S. Economy:

Fueling Growth, Trade, & Opportunity, Michigan Railroad Association, 2025.

<https://michiganrailroadsassociation.com/wp-content/uploads/2025/05/2025-MRA-Spring-Update-web.pdf>

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Federal Funding for Rail Freight

Efficient movement of goods begins with thoughtful planning. SEMCOG has been involved in freight planning and relies on Metropolitan Planning funds to support this essential work. We recently began a Southeast Michigan Freight Plan that leverages these funds to coordinate regional stakeholders to engage and develop a plan for future freight decision making. The plan will highlight infrastructure needs in key freight activity areas, anticipate emerging trends, and guide investment decisions. These plans are utilized to guide future funding and seek grant opportunities which can advance projects towards execution.

Unlike other transportation modes, railroads own, operate, maintain, and pay for their own infrastructure; there are no federal formula funds dedicated to rail freight. In 2025, Michigan will receive only \$38 million in freight-related funding, all of which is allocated to critical highway needs. This makes federal discretionary grant programs, such as the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program and the Railroad Crossing Elimination (RCE) Program essential for supporting rail capital improvements.

Recent awards through the CRISI and RCE program are already making a positive impact. The Michigan Department of Transportation (MDOT), in partnership with the City of Detroit and Norfolk Southern Railway, received a \$67 million CRISI award in 2024 to improve and expand the capacity of the Livernois Intermodal Facility. The project will install new track, upgrade pavement, and replace diesel equipment with hybrid and fully electric alternatives. These long standing needed enhancements will improve performance, strengthen multimodal connectivity, and reduce environmental impacts—cutting dust pollution and improving stormwater management on site.

The City of Monroe was awarded \$24 million for final design and construction of a new overpass to help prevent traffic delays due to train crossings, improve response times for emergency vehicles, and increase safety for pedestrians and motorists. A project of this magnitude was made possible through funding from the RCE Program. Continued investment through these federal discretionary programs is vital for local communities that would not be able to generate the needed funding on their own. It is also important for shortline railroads that serve local industries, often in rural areas. These shortlines frequently rely on federal or state-level grants to improve underutilized or neglected rail lines that are critical to smaller businesses and regional economies.

In 2023, SEMCOG received \$900,000 in PROTECT funds to develop a Resilience Improvement Plan. This project advances resilience by updating SEMCOG's existing flood risk tool, addressing hazard mitigation and evacuation route priorities, and examining flooding implications along the multimodal freight network. This is of particular interest as disruptions from flooding can cause supply chain shocks.

Passenger Rail Service

In Southeast Michigan, there are two long-distance AMTRAK passenger rail routes, collectively spanning 623 miles and connecting a total of 20 communities. Passenger rail services in Southeast Michigan face critical gaps that hinder regional connectivity and international access. One prominent issue is the absence of north/south rail service between Southeast Michigan and Toledo, limiting travel options to east coast and southern state destinations. Recent funding initiatives, such as the Federal Railroad Administration (FRA) Corridor Identification Program, offer opportunities to improve passenger rail service in the region, like the proposed Cleveland-Toledo-Detroit Corridor.

Additionally, the lack of a direct rail link between Southeast Michigan and Canada not only impedes international travel but also stifles potential economic activity. MDOT, Amtrak, and local partners are

working to connect the nine-mile gap between two existing rail passenger corridors to link Chicago – Detroit – Toronto rail service. The lack of formula funding for passenger rail makes discretionary federal grant programs, such as the Corridor Identification Program, the Restoration and Enhancement Grant Program, and Federal-State Partnership for Intercity Passenger Rail (FSP) Grant Program, essential for maintaining momentum to connect our region and modernize rail infrastructure with the Midwest.

Thank you for your consideration of these critically important issues. We appreciate the Subcommittee's efforts to modernize America's rail system and thank Chairman Todd Young and Ranking Member Gary Peters for convening this timely conversation. We urge the Subcommittee to prioritize funding for planning and infrastructure improvements along the regional freight and passenger rail network to help reduce blockages, minimize traffic congestion, improve emergency response times, enhance overall safety, and strengthen the region's economy. SEMCOG looks forward to working with Congress to modernize America's rail system.

Sincerely,



Amy O'Leary, CAE
Executive Director



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
DIRECTOR

June 25, 2025

The Honorable Gary Peters, Ranking Member
Committee on Commerce, Science and Transportation
Subcommittee on Surface Transportation, Freight, Pipelines, and Safety
United States Senate
Washington, D.C. 20510

Dear Senator Peters:

Statement on Modernizing American's Rail System
Before the Subcommittee on Surface Transportation, Maritime, Freight, and Ports

Rail is critical to Michigan's economy. Michigan's 29 railroads operate approximately 3,600 miles of track and provide strategic connections for our peninsular state through three international crossings. The system, which is primarily owned and financed by the private rail industry, carries approximately 17 percent of the freight tons moved in the state and 21 percent of the commodity value. Transportation equipment (mostly finished automobiles) is Michigan's top outbound commodity by rail. Michigan's rail system also supports three intercity passenger rail services that are operated by Amtrak and serve 22 station communities.

The Michigan Department of Transportation (MDOT) is active in the American Association of State Highway and Transportation Officials (AASHTO) Council on Rail (CORT), State-Amtrak Intercity Passenger Rail Committee (SAIPRC), States for Passenger Rail Coalition (SPRC) and Midwest Interstate Passenger Rail Commission (MIPRC). In part, these organizations advocate for federal legislation and policies that align with Michigan's priorities as it relates to MDOT's passenger rail services. Extensive ongoing coordination with other states is required to implement these services, particularly for the shared Midwest passenger rail equipment. An additional strategic federal policy that helps to govern these interstate services through SAIPRC, including equipment like the Midwest's, could help ease the administrative and cost burdens currently carried by the states that host Amtrak state-supported services that are 750 miles or less, and are subsidized by the states under the Passenger Rail Improvement and Investment Act of 2008.

Over the last several years, MDOT has successfully pursued several competitive federal funding opportunities for rail. These grants have allowed MDOT to complete several projects that will benefit the freight and passenger rail industry in Michigan. Many of these grant programs, including the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program, the Federal-State Partnership for Intercity Passenger Rail (FSP) and the Rail Crossing Elimination program will allow Michigan to continue to improve the freight and passenger rail networks in Michigan. Currently, MDOT is managing 10 active federal grants for rail projects, primarily on the state-owned portion of Michigan's 110-mph accelerated passenger rail corridor between Kalamazoo and Dearborn. While we have made good use of these competitive funding opportunities, it should be noted that sustained and dedicated federal appropriations for rail would offer efficiencies and timeliness in the use of rail resources that competitive grant funding does not.

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The Honorable Gary Peters
Page 2
June 25, 2025

Through the Federal Railroad Administration's Corridor Identification and Development Program, MDOT is developing service development plans for its three existing Amtrak intercity passenger rail services, the Wolverine (Detroit/Pontiac - Chicago), the Blue Water (Port Huron - Chicago) and the Pere Marquette (Grand Rapids - Chicago). The service development plan for the Wolverine also includes extending this route internationally to connect to VIA Rail in Windsor, Ontario, with service to Toronto. With local partners, MDOT also is exploring the development of a new multimodal facility in Detroit that would in part support this service and, if constructed, would be partially supported by an existing Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant. Additionally, MDOT is utilizing state funds to help shortline railroads access federal grants for rail projects throughout the state.

In addition to Amtrak and four Class I railroads, there are 24 shortline railroads that operate in Michigan. These shortlines offer essential connections for the movement of goods within the state and via movements on relatively lower-volume north-south corridors. As you know, many Class I railroads recently undertook a federally mandated modernization effort with the implementation of positive train control (PTC), which was required for corridors hosting passenger rail service and moving certain types of commodities. These efforts to support safety and efficiency enhancements to the system are vital and should be considered as part of a comprehensive cost-benefits analysis that measures all potential impacts, particularly as it relates to the shortline railroads and/or rail customers.

MDOT looks forward to future federal opportunities to support modernizing Michigan's rail system and thanks you for your consideration of these important issues. Supporting the safety and efficiency of rail is vital to the movement of goods and people in Michigan. Federal support for programs and services that align with these goals will allow Michigan to continue to invest and develop freight and passenger rail services that will continue to advance and modernize America's rail system.

Sincerely,

E-SIGNED by PETER ANASTOR
on 2025-06-25 10:00:06 EDT

Peter Anastor, Director
Office of Rail

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TED CRUZ TO
IAN JEFFERIES

Question. We've heard cited on several occasions that there have been more than 4,000 trains that have derailed since 2020. This number sounds very high. What is the context for many of these derailments? For example, how many of these are very low speed derailments that occur within railyards?

Answer. A single accident is one too many, and railroads are committed to reducing the total number. When discussing derailments, it is imperative that policy-makers understand the types that occur. Approximately 74 percent of derailments are low-speed yard derailments occurring at average speeds below 6 mph. The overall derailment rate per million train miles has dropped 39 percent over the past 20 years (since 2005) and 17 percent year-over from 2023 to 2024. The mainline derailment rate has dropped 49 percent since 2005 and 6 percent year over from 2023 to 2024, while the yard derailment rate has dropped 34 percent and 21 percent over those two same respective time periods. Railroads continue to invest in technology, infrastructure, and our workforce to ensure that day-to-day operations are as safe as possible.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TODD YOUNG TO
IAN JEFFERIES

Track Safety

Question. With rail traffic increasing and new high-speed services coming online, there's growing attention on the safety of areas along the right-of-way, especially outside of traditional highway-rail crossings. Many railroads are exploring innovative technologies and community partnerships to reduce risks in these areas.

What can Congress do to help support railroads and their partners as they work to implement effective safety measures away from crossings?

Answer. Reducing the frequency of grade crossing incidents remains a focus for the freight rail industry. Since 2005, the grade crossing collision rate has gone down only 4 percent despite significant investments from both the railroads and our private sector partners over that same period. Nevertheless, railroads are committed to reducing the frequency of crossing incidents.

Congress has recognized the need for additional investments towards this goal and has created several grant programs for public entities to partner with railroads to reduce the frequency of these incidents. Programs such as the Railway-Highway Crossings (Section 130) Program, the Railroad Crossing Elimination Grant Program, and the Multimodal Discretionary Grant Programs are all Federal programs that can be used to either upgrade or eliminate grade crossings that pose unacceptable risks to the traveling public. AAR supports the reauthorization and continued support of these programs.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
IAN JEFFERIES

Permitting Reform. I frequently hear from constituents about slow permitting processes, which cause delays and add costs. You mentioned in your testimony that "more can be done to fast-track routine rail construction projects without ignoring environmental or historical preservation concerns."

Question 1. Please expand on how permitting can be streamlined while protecting these other considerations.

Answer. AAR supports numerous economy-wide permitting reform items such as:

- creating enforceable deadlines under NEPA that would allow for more a more transparent and predictable permitting process,
- modifying section 401 of the Clean Water Act to set timelines for water quality certifications by states and prohibiting states from requesting that project sponsors withdraw applications to restart timelines, and
- codifying a statutory definition of "Waters of the U.S." that mirrors the jurisdictional boundaries identified by the U.S. Supreme Court in *Sackett II*.

In addition to these items, there are several opportunities for Congress to advance rail-specific reforms.

- First, Congress could codify the recent Supreme Court decision in the *Seven Counties Infrastructure Coalition v. Eagle County, Colorado* case, in which the

Court ruled 8–0 that Federal agencies are not required to analyze the environmental impacts of projects they have no authority over. This is especially important for the freight rail industry since, as common carriers, our members have no ability to choose which commodities they move along their lines; as such, they should not be held accountable for the upstream and downstream impacts that those commodities may have.

- Second, Congress should ensure that Advisory Council on Historic Preservation follows congressional intent by adhering to section 11504 of the FAST Act, which directed ACHP to issue a final exemption from Section 106 requirements (historic preservation reviews) for railroad rights-of-way that is consistent with the exemption issued for interstate highways.

Supply Chain & Rural Businesses. Rail plays a critical role in connecting small towns and rural areas to ports and larger markets. In your testimony, you discussed how “freight railroads remain indispensable today” across nearly every sector of our economy, especially agriculture.

Question 1. How can Federal investment in rail strengthen our Nation’s supply chain infrastructure and support rural economies?

Answer. The freight rail industry connects rural business to the broader economy, both domestically and overseas. Whether the railroads are picking up new products from a manufacturer or delivering finished goods to a distribution center to then be transported to local stores, our industry is critical to connecting all facets of the economy together. That is why our industry supports funding for grant programs that enable public sector entities to partner with freight railroads to advance projects of mutual interest that improve the overall fluidity of the supply chain, reduce freight congestion, improve safety, facilitate passenger rail service, and improve the quality of life for communities that neighbors rail lines and yards. Investments in the Multimodal Project Discretionary Grants Program under the Department of Transportation allow for the creation of large infrastructure projects that may otherwise lack the resources. In addition to having benefits that are felt nationally, these projects are often located in rural areas and yield significant benefits to those communities.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. GARY PETERS TO
IAN JEFFERIES

Question 1. As I noted in my opening remarks, communities in Michigan have had firsthand experience with hazmat train derailments, where first responders not only didn’t have access to a record of what was on the train, but train crew had to wait hours to relay which cars were carrying hazardous material. I have been encouraged that many rail companies have taken it upon themselves to adopt better systems for alerting first responders to potentially hazardous conditions. And that the Railway Safety Act that passed out of this committee with bipartisan support last Congress required such notification as a baseline safety practice. Would you support such a baseline requirement?

Answer. AAR supports first responders having access to the information they need to respond to incidents in a timely fashion. We must also take steps to ensure that sensitive information that could be misused by nefarious actors, such as information on the commodities that are moving in any given train, are given appropriate protections. In 2014, America’s Class I railroads, Amtrak, the International Association of Fire Chiefs, Railinc and the AAR created the AskRail app. As a backup to the train’s consist and conductor, the app provides first responders immediate access to accurate, timely data about what type of hazardous materials a railcar is carrying so first responders can make an informed decision about how to respond to a rail emergency. Today, more than 2.3 million first responders have access to AskRail. Freight railroads are working directly with emergency communication centers to enhance coverage and information access for first responders. AskRail enables first responders to receive timely information when a rail-related incident occurs involving hazmat. Additionally, each state’s fusion center receives a periodic report from the railroads detailing the types of commodities that move through the state so that they can be trained to respond to incidents involving those commodities.

Question 2. As I mentioned in my opening remarks, communities across Michigan have begun to address their blocked and dangerous railroad crossings by making use of the Railroad Crossing Elimination Grant Program that Congress created as part of the Bipartisan Infrastructure Law. And while improvements to railroad crossings are an eligible use of CRISI funding, we’ve seen that this new dedicated funding for crossings has finally begun to move the needle on this problem in our

communities. However, there are thousands of railroad crossings still in need of upgrades that remain unfunded, and communities in Michigan like Manistee and Kalamazoo will need additional resources to carry out the plans that they're currently working on. With that, I have a yes or no question for the whole panel. Do you believe Congress must maintain the Railroad Crossing Elimination Grant Program as a dedicated funding stream to address railroad crossing issues in the next Surface Transportation Reauthorization Bill?

Answer. The freight rail industry strongly supports the Railroad Crossing Elimination Grant Program, and it is our hope that Congress continues to support this program both in reauthorizing the program beyond its forthcoming expiration and continuing to provide robust funding during the annual appropriations process.

Question 3. As our witnesses know, as manufacturing booms in America so does the need for increased rail service. I have heard from stakeholders in rural Michigan and the Upper Peninsula in particular about the desire for increased rail connections to major rail lines, which would remove a lot of trucks from small and less safe rural roads. Given the backlog of rail maintenance being discussed in this hearing, I know the initiation and construction of new railroad and service corridors is challenging. Do you anticipate expanding rail lines in the coming years? And how do you think Congress can best support or incentivize new freight service, especially in rural areas?

Answer. Plans to expand freight service are driven by market decisions, and the Class I's work to develop new business opportunities all the time. While I cannot speculate about the possibility of expansion into any specific market, the railroads will continue to seek out new business opportunities. To make those future business ventures commercially viable, Congress should ensure that a balanced regulatory framework exists that promotes growth. Additionally, reforming the environmental permitting process would alleviate some of the years-long processes that unnecessarily delay the creation of new infrastructure projects. Finally, Congress should ensure modal parity between rail and trucking by restoring the Highway Trust Fund to solvency via a user-fee model that accounts for weight differentials between passenger vehicles and semi-trucks.

Question 4. Mr. Jefferies, Michigan manufacturers and automakers rely on freight rail to move products across this country—and over borders into Canada and Mexico. I have heard from Michigan businesses about the chaos and uncertainty created by these policies. How have constantly changing tariffs impacted the freight rail business? Have your members and their clients been provided with certainty regarding implementation of some of these more complex tariffs?

Answer. Railroads depend upon the timely movement of goods across land borders and through ports of entry. Nearly 40 percent of rail traffic is associated with imports and exports. Over the past few months, the railroads have allocated both personnel and locomotives to best respond to changing market conditions. Certainty in both regulations and freight traffic patterns based on international trade agreements is therefore critical for the railroads so they are able to properly deploy resources when and where they are needed most. The freight rail industry is taking lessons learned during the COVID-19 supply chain disruptions to better prepare for future uncertainties, including those potentially caused by market reactions to fluctuating tariff rates.

Question 5. One of the top issues plaguing passenger rail is on-time performance. In Michigan, Amtrak lines originating in Chicago especially struggle to break 70 percent on time performance. Amtrak has identified one of the major causes of these delays as freight companies are not living up to their statutory duty to ensure on-time passenger service.

a. Mr. Jefferies, what steps are freight railroads taking to improve on time performance?

b. How can stakeholders better work together to improve outcomes?

c. Do you agree that the Surface Transportation Board has the authority to step in if rail companies aren't holding up their end of the bargain?

Answer. America is connected by the most efficient, affordable, and environmentally responsible freight rail system in the world, a system overwhelmingly built and maintained by the freight railroads themselves. This system provides the foundation for most passenger rail. America can and should have both safe, effective passenger railroads and a safe, productive, freight rail system. To achieve that outcome, early and consistent coordination and cooperation between host railroads and passenger railroads can lead to better outcomes for everyone involved on all topics, including both new service as well as the performance of existing service. It is also worth noting that the reasons why a particular train on a particular route on a par-

ticular day is delayed can be quite varied—from schedules being out-of-date to weather events—and is a fact-specific analysis. This is why Congress gave the Surface Transportation Board the ability to resolve disputes regarding preference and on-time performance on a case-by-case basis. Regardless, the railroads will continue to work with the passenger railroad partners to improve service wherever possible.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TAMMY DUCKWORTH TO
IAN JEFFERIES

Chicago Region Environmental and Transportation Efficiency Program

Question 1. Chicago is a national hub for freight rail. One out of every four freight trains in the U.S. passes through Chicago—which is about 500 freight trains every day—and the city has more tracks radiating in more directions than any other city in North America. However, bottlenecks in Chicago cause delays in the shipment of goods across the country. That is why freight rail companies, Amtrak, Metra, the State of Illinois and the City of Chicago are partnering on the Chicago Region Environmental and Transportation Efficiency Program, or “CREATE,” which is unlogging the rail network by building crucial underpasses and overpasses, and upgrading tracks, switches and signals.

A. Mr. Jefferies, how important is continued Federal investment in CREATE to our national freight rail network and our Nation’s economy?

Answer. CREATE represents one of the most successful public private partnerships in the history of railroading. Through significant investments by federal, state and local public partners, freight railroads, Amtrak, and METRA, CREATE has improved the efficiency and safety of freight movements through Chicago over the last 20 years.

To date, CREATE has seen \$1.6 billion in investments over the last 20 years—\$1 billion spent and \$1.6 billion pending. Of that investment, the Federal government has provided \$1.05 billion in grants, the State of Illinois has provided \$704 million, and Cook County and the City of Chicago have provided \$246 million. Railroads have provided \$575 million. CREATE partners have put that money to good use: 35 projects are completed, 21 in process, and 14 projects remaining.

Given the size and scope of these collaborative projects, Federal grant funding has been critical to CREATE’s success. Most recently, in 2024, CREATE was awarded three major Federal grants to start work on the next phase of the 75th St. Corridor Improvement Project, which will begin the process of untangling the largest freight chokepoint in the Chicago region. That funding included \$291.2 million through the Multimodal Discretionary Grant Program (\$209.9 million in Mega grants and \$81.3 million in INFRA grants) and \$43 million from the Grade Crossing Elimination Program.

Continued Federal investments in CREATE are critical to continue addressing the safety and efficiency issues the partnership was designed to fix. These large, complex infrastructure problems require large investments of Federal money to address as quickly as possible. Railroads remain committed to working with our partners in CREATE to see these projects through and support our public partners’ efforts to secure robust Federal funding going forward. Railroads are also committed to funding additional projects in the Chicago area outside of CREATE, totaling an average of \$500 million per year to improve safety and keep the supply chain moving.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TODD YOUNG TO
PETER GILBERTSON

Track Safety

Question. With rail traffic increasing and new high-speed services coming online, there’s growing attention on the safety of areas along the right-of-way, especially outside of traditional highway-rail crossings. Many railroads are exploring innovative technologies and community partnerships to reduce risks in these areas.

What can Congress do to help support railroads and their partners as they work to implement effective safety measures away from crossings?

Answer. Safety must extend beyond the crossing gates. As rail traffic increases and new services—including high-speed rail—come online, it’s critical to address risks along the entire right-of-way, especially in areas where the public may not expect to encounter trains.

Many railroads are investing in new technologies like drone surveillance, thermal imaging, geofencing, and AI-enabled trespasser detection systems, as well as working with local governments and community groups to promote awareness and im-

prove physical barriers. But to scale these solutions, railroads and their partners need support.

Congress can help by:

1. Creating or expanding grant programs that fund non-crossing safety initiatives, including advanced detection technology, fencing, and public education campaigns, such as Operation Lifesaver.
2. Encouraging FRA to work with railroads and communities to identify high-risk corridors and develop coordinated risk mitigation strategies.
3. Supporting research, pilots, and data-sharing for innovative right-of-way safety technologies.
4. Providing flexibility in existing safety and infrastructure programs to allow funds to be used for trespass prevention and right-of-way improvements, not just traditional crossing upgrades.

Ultimately, keeping communities safe in the rail environment requires a modern, proactive, and well-funded approach—and Congress plays a vital role in enabling that.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
PETER GILBERTSON

Permitting & Grant Process Reform. You mentioned in your testimony that CRISI projects can be delayed by more than 12 months and that there are potential opportunities to improve the grant process.

Question 1. What can be done to make sure that these funds get out the door faster, so projects aren't stalling?

Answer. CRISI Grant Award Process Recommendations—

The CRISI program has proven to be powerful, effective, and broadly supported on a bipartisan basis. However, there are clear opportunities to improve the grant process. Delays between award announcements and actual construction, as well as obstacles to making necessary project adjustments as conditions evolve, significantly reduce the effectiveness of CRISI funding—not just for railroads like ours, but for the shippers and communities that rely on us.

Short lines are ready to get to work. By the time they apply for CRISI grants, they have already invested limited financial resources—along with substantial personnel resources—just to be able to compete effectively for funding. Further, the CRISI application itself requires a draft Grant Agreement attachment that details the budget, the task descriptions and the time for the project.

Shippers, who rely on short lines for critical access to domestic and international markets, are eager to see safer, more efficient rail service become a reality. Delays in grant funding delay the hoped-for improvements and business opportunities.

In addition, the communities we serve—where local expertise is often employed to undertake these projects—are waiting to realize the economic benefits that come with upgraded infrastructure: new business investment, expanded manufacturing, and job creation.

To maximize the impact of the CRISI program, we must address these systemic delays. Streamlining implementation and allowing for greater flexibility in project management will ensure that Federal dollars translate more quickly and effectively into real-world benefits. Our recommendations include:

- *Improved Speed*—CRISI projects should move from announcement to obligation to completion faster than they currently do. Currently, CRISI some projects are delayed by 12–18 months. Most short line projects are quite simple in the context of infrastructure investments. Compressing the timeline would result in better outcomes for the public, for short lines, for communities, and for shippers with no additional risk, and would help avoid the significant cost escalation associated with delay.
- *Encourage the use of pre-award authority (PAA)*—More extensive use of PAA would allow CRISI grant awards for small railroad infrastructure projects to move more quickly and efficiently. PAA authorizes grant recipients to begin their projects immediately at their own risk rather than being stuck in limbo during the often-lengthy Federal approval process, including environmental and historic reviews. Nearly all short line projects that receive CRISI awards are found to create no significant impacts on the environment that would require mitigation as a condition of award. The agency should consider more routinely authorizing PAA for non-ground disturbing elements of short line project scope

such as for engineering analyses, locomotive investments, and acquisition of construction materials like crossties and rail. Prompt acquisition of materials can be a particularly useful step to mitigate project cost inflation risk. Delays in completing engineering and design work correspondingly delay entry into the construction phase of a project.

Question 2. How can the Federal government improve the permitting process?

Answer. The short line industry believes that there are several ways to improve the permitting process. Recommendations include the following:

1. *Improve Elements of the National Environmental Policy Act (NEPA) Process*—Railroads are an environmentally friendly way to move goods. The short line industry encourages efforts to ensure NEPA requirements reflect this sustainable way to move freight and do not undermine it. Specifically, we believe there could be room within USDOT's NEPA implementing regulations to expand definitions of selected categorical exclusions (CEs) without risking significant environmental impacts. Systematically bundling and front-loading projects that are likely to be CEs for expedited and early review and approval is an approach that could speed up the overall processing of awards. ASLRRRA looks forward to the updating of regulatory and policy frameworks at DOT that should reduce the delay risk of NEPA and other statutorily required reviews, particularly those made in accordance with recent Supreme Court decisions.
2. *Grant Adjustment Request Form Process*—The Grant Adjustment Request Form (GARF) process is a procedure used by grant recipients to request changes to the terms of a grant. These changes might include things like:
 1. *Budget modifications* (e.g., moving funds between categories)
 2. *Time extensions* for completing the project.
 3. *Scope changes* to alter what the grant is funding.
 4. *Key personnel changes* or other administrative updates

We recommend continuing effort at streamlining the steps, improving communication, and aligning requirements with real-world project conditions. We are encouraged by DOT's recent efforts to develop grant agreements with the flexibility to enable minor adjustments within projects such that GARFs are less frequently needed.
3. *Coordinate Section 106 Reviews*—FRA can reduce delays by coordinating with DOT's Office of the Secretary of Transportation (OST) and the White House to expedite the Advisory Council on Historic Preservation's acceptance of the final Section 106 exemption of railroad rights-of-way (ROW) from review under Section 106 of the National Historic Preservation Act. Unnecessary Section 106 reviews can introduce serious delays into the grant obligation process.

Supply Chain & Rural Businesses. Rail plays a critical role in connecting small towns and rural areas to ports and larger markets. You mentioned in your testimony that short lines “provide first-and last-mile service to over 10,000 shippers.”

Question 1. How do investments in our rail infrastructure, like the CRISI grant, help retain and grow businesses and jobs in rural areas, especially the manufacturing and agriculture industries?

Answer. Many short lines were born out of necessity after the Staggers Rail Act of 1980, which transferred neglected large Class I branch lines that were otherwise headed for abandonment to local operators who believed in their potential. Since then, short lines have proven to be resilient, entrepreneurial businesses that reinvest heavily—up to one-third of revenue annually—into maintenance and upgrades. Rehabilitating and operating these lines are enormously capital-intensive. The CRISI grant program, created in 2015, is the only Federal program that allows direct access to capital for short line infrastructure improvements.

The CRISI grant program has yielded six key benefits for the short line industry and shippers:

1. *Addressing Critical Infrastructure Needs*—CRISI enables critical projects, such as bridge replacements, or track upgrades that remove bottlenecks and allow carriage of industry-standard 286,000-pound railcars, improving interoperability and competitiveness.
2. *Improving Safety*—Rail safety directly benefits from sound infrastructure. CRISI funds replace worn-out crossties and steel rails, reducing the risk of derailments and making rail service safer for employees and communities alike.

3. *Creating and Sustaining Jobs*—Short line rehabilitation projects are labor-intensive and rely on local contractors. These projects support good-paying jobs in rural communities and generate long-term employment through freight rail service expansion and improvement.
4. *Enhancing Environmental Outcomes*—Rail is the most fuel-efficient mode of freight transport. CRISI-funded upgrades facilitate modal shift from truck to rail, which reduces highway congestion and air pollution.
5. *Promoting Economic Development*—CRISI investments enable service to new and growing businesses and attract additional shippers and manufacturers to the community.
6. *Improving Service for Customers*—Even small improvements—such as a short stretch of new track or the elimination of a chronic derailment risk—can make an enormous difference in the transportation costs and competitiveness of shippers. Reshoring of manufacturing to the U.S. requires a strong rail freight network.

Of the 240 CRISI awards made to date, over \$2.7 billion has gone to projects benefiting short lines. In the most recent combined FY23–24 round, short lines received 81 out of 122 awards—over \$1.2 billion in funding. These awards were matched by local and private investments ranging from 20 percent to as much as 80 percent, demonstrating that CRISI leverages public dollars effectively and attracts private capital that otherwise would not be invested.

The Importance of Predictable and Robust Funding

The advance appropriations provided for CRISI through the previous surface transportation law—\$1 billion annually through FY 2026—have been transformational. Predictable funding allows small businesses to plan ahead, secure match funding, and complete upfront engineering work required for competitive applications. Without advance appropriations, many short lines would be unable to pursue these grants due to the uncertainty and high upfront costs involved, and CRISI funds would be less effectively spent.

The merit-based approach for awarding CRISI grant funds has proven to be accessible to short lines. Over the life of the program, and across Administrations, this approach has resulted in a generally equitable national distribution of funding while providing the U.S. Department of Transportation with important flexibility to address a very diverse array of types and scale of freight rail investment needs.

It is essential that the next surface transportation reauthorization not only extends CRISI but also preserves the advance appropriations structure. Without it, Federal investment becomes less effective, fewer projects move forward, and the communities that rely on short lines are left behind.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. GARY PETERS TO PETER GILBERTSON

Question 1. As I noted in my opening remarks, communities in Michigan have had firsthand experience with hazmat train derailments, where first responders not only didn't have access to a record of what was on the train, but train crew had to wait hours to relay which cars were carrying hazardous material. I have been encouraged that many rail companies have taken it upon themselves to adopt better systems for alerting first responders to potentially hazardous conditions. And that the Railway Safety Act that passed out of this committee with bipartisan support last Congress required such notification as a baseline safety practice. Would you support such a baseline requirement?

Answer. Yes, I support the principle of ensuring that first responders have timely, accurate access to information about hazardous materials. As I mentioned in my oral testimony on June 18th, Anacostia is working with the state of Indiana, using a CRISI grant, to develop a Rail Response application that will allow railroads to share geospatial incident data with first responders in real time through a web or mobile interface. This kind of innovation can significantly improve response times and public safety.

That said, it's important to recognize that many short line railroads—who often operate on tight margins—may need support to implement these kinds of systems. That's why we intend to make the Rail Response app available to other short lines at nominal cost once it's complete. A well-designed baseline requirement that allows for flexible compliance paths and recognizes the resource constraints of smaller operators could help ensure safety without creating undue burdens.

Question 2. We have heard in testimonies about the need to speed up and streamline the Federal Railroad Administration's grant disbursement process. I strongly agree. That is why I have been concerned by the F-R-A Administrator Nominee's testimony that F-R-A should focus less on grant administration. F-R-A's first and most important mission is safety. As all of our witnesses know, however, effective investment in rail infrastructure is absolutely central to safety. Mr. Gilbertson, do you agree that we must ensure that the Federal Railroad Administration has sufficient staff to carry out the high volume of CRISI and other infrastructure grants, and that massive personnel cuts may slow the process further? What other steps do you believe F-R-A can take to speed the process from grant announcement to obligation?

Answer 2a. The success of the CRISI program and other federally funded infrastructure initiatives depends not just on the availability of funding, but also on the FRA's capacity to administer those programs effectively and efficiently.

The volume and complexity of grant applications—especially with the historic level of investment made possible by the Bipartisan Infrastructure Law—requires a well-staffed, well-resourced FRA. Without sufficient personnel, we risk significant delays in analyzing applications and in processing grant agreements with those selected. That's especially problematic for rural and short line projects, where delays increase costs and can jeopardize local matching funds.

Answer 2b. The CRISI program has proven to be powerful, effective, and broadly supported on a bipartisan basis. However, there are clear opportunities to improve the grant process. Delays between award announcements and actual construction, as well as obstacles to making necessary project adjustments as conditions evolve, significantly reduce the effectiveness of CRISI funding—not just for railroads like ours, but for the shippers and communities that rely on us.

Short lines are ready to get to work. By the time they apply for CRISI grants, they have already invested limited financial resources—along with substantial personnel resources—just to be able to compete effectively for funding.

Shippers, who rely on short lines for critical access to domestic and international markets, are eager to see a safer, more efficient rail service become a reality. Delays in grant funding delay the hoped-for improvements and business opportunities.

In addition, the communities we serve—where local expertise is often employed to conduct these projects—are waiting to realize the economic benefits that come with upgraded infrastructure: new business investment, expanded manufacturing, and job creation.

To maximize the impact of the CRISI program, we must address these systemic delays. Streamlining implementation and allowing for greater flexibility in project management will ensure that Federal dollars translate more quickly and effectively into real-world benefits. Our recommendations include:

- *Improved Speed*—CRISI projects should move from announcement to obligation to completion faster than they currently do. Currently, it takes FRA 12 to 18 months to complete a grant agreement. Most short line projects are quite simple in the context of infrastructure investments. Compressing the timeline would result in better outcomes for the public, for short lines, for communities, and for shippers with no additional risk, and would help avoid the significant cost escalation associated with delay.
- *Encourage the use of pre-award authority (PAA)*—More extensive use of PAA would allow CRISI grant awards for small railroad infrastructure projects to move more quickly and efficiently. PAA authorizes grant recipients to begin their projects immediately at their own risk rather than being stuck in limbo during the lengthy Federal approval process, including environmental and historic reviews. Nearly all short line projects that receive CRISI awards are found to create no significant impacts on the environment that would require mitigation as a condition of award. The agency should consider more routinely authorizing PAA for non-ground disturbing elements of short line project scope such as for engineering analyses, locomotive investments, and acquisition of construction materials like crossties and rail. Prompt acquisition of materials can be a particularly useful step to mitigate project cost inflation risk. Delays in completing engineering and design work correspondingly delay entry into the construction phase of a project.
- *Improve Elements of the National Environmental Policy Act (NEPA) Process*—Railroads are an environmentally friendly way to move goods. The short line industry encourages efforts to ensure NEPA requirements reflect this sustainable way to move freight and do not undermine it. Specifically, we believe there could be room within USDOT's NEPA implementing regulations to expand definitions of selected categorical exclusions (CEs) without risking significant envi-

ronmental impacts. Systematically bundling and front-loading projects that are likely to be CEs for expedited and early review and approval is an approach that could speed up the overall processing of awards. ASLRRRA looks forward to the updating of regulatory and policy frameworks at DOT that should reduce the delay risk of NEPA and other statutorily required reviews, particularly those made in accordance with recent Supreme Court decisions.

- *Grant Adjustment Request Form Process*—The Grant Adjustment Request Form (GARF) process is a procedure used by grant recipients to request changes to the terms of a grant. These changes might include things like:
 - Budget modifications (e.g., moving funds between categories)
 - Time extensions for completing the project.
 - Scope changes to alter what the grant is funding.
 - Key personnel changes or other administrative updates
- We recommend continuing effort at streamlining the steps, improving communication, and aligning requirements with real-world project conditions. We are encouraged by DOT's recent efforts to develop grant agreements with the flexibility to enable minor adjustments within projects such that GARFs are less frequently needed.
- *Coordinate Section 106 Reviews*—FRA can reduce delays by coordinating with DOT's Office of the Secretary of Transportation (OST) and the White House to expedite the Advisory Council on Historic Preservation's acceptance of the final Section 106 exemption of railroad rights-of-way (ROW) from review under Section 106 of the National Historic Preservation Act. Unnecessary Section 106 reviews can introduce serious delays into the grant obligation process.

Question 3. As I mentioned in my opening remarks, communities across Michigan have begun to address their blocked and dangerous railroad crossings by making use of the Railroad Crossing Elimination Grant Program that Congress created as part of the Bipartisan Infrastructure Law. And while improvements to railroad crossings are an eligible use of CRISI funding, we've seen that this new dedicated funding for crossings has finally begun to move the needle on this problem in our communities. However, there are thousands of railroad crossings still in need of upgrades that remain unfunded, and communities in Michigan like Manistee and Kalamazoo will need additional resources to carry out the plans that they're currently working on. With that, I have a yes or no question for the whole panel. Do you believe Congress must maintain the Railroad Crossing Elimination Grant Program as a dedicated funding stream to address railroad crossing issues in the next Surface Transportation Reauthorization Bill?

Answer. Yes. The short line industry highly recommends that Congress continue to fund Operation Lifesaver (OLI), Section 130, and the Rail Crossing Elimination (RCE) program to protect the public. By far the most significant concerns with rail safety are related to interactions with the public at grade crossing accidents and trespasser issues. Operation Lifesaver is an industry-and government-supported effort which focuses on educating the public both about the importance of staying off railroad tracks and the need for passenger and commercial vehicle drivers to exercise caution at grade crossings. The Federal government has been an important participant in these efforts, largely through the FHWA Railway-Highway Crossings Program, known widely as the "Section 130" program. This program significantly improves grade crossing safety by providing funding to improve grade crossing protection equipment. More recently, the Rail Crossing Elimination program has also been successful in providing options for communities to close unnecessary crossings. We recommend that Congress continue to fund the OLI, RCE, and Section 130 programs at robust and guaranteed levels.

Question 4. I am proud of the progress Congress has made over the past few years to boost American manufacturing—through the Chips and Science Act, the Inflation Reduction Act, and more. As our witnesses know, as manufacturing booms in America so does the need for increased rail service. I have heard from stakeholders in rural Michigan and the Upper Peninsula in particular about the desire for increased rail connections to major rail lines, which would remove a lot of trucks from small and less safe rural roads. Given the backlog of rail maintenance being discussed in this hearing, I know the initiation and construction of new railroad and service corridors is challenging. Do you anticipate expanding rail lines in the coming years? And how do you think Congress can best support or incentivize new freight service, especially in rural areas?

Answer. Yes, we do anticipate expanding rail lines and service in the coming years, particularly where it helps connect rural industries and communities to na-

tional and global markets. But doing so requires strategic investment and strong public-private partnerships. Many rural areas are underserved by freight rail, even though they produce a significant share of the country's agricultural, energy, and manufacturing goods.

Congress can play a critical role by:

1. *Expanding funding for programs like the CRISI grant program*, which helps upgrade infrastructure, restore dormant lines, and extend short line service into areas that no longer have viable rail access.
2. *Providing more flexible match requirements* for rural or economically distressed regions, where local funding is often limited but the need is high.
3. *Streamlining permitting and regulatory reviews* so that rail projects can move forward efficiently—without unnecessary delays.
4. *Supporting first-and last-mile connectivity projects*, which are often the missing link in bringing new freight service to rural communities.
5. *Maintaining the Surface Transportation Board's (STB) expedited regulatory review process for line sale transactions*. There remain many areas in rural America where the economics of operating light density rail lines are better suited for local short line railroads than their current Class I owners. The ability to complete these transactions without undue regulatory delay or unnecessary economic restrictions is critical to maintaining rural connections to the national railroad network.

With the right Federal support, the short line rail industry can deliver cost-effective, lower-emission transportation solutions that help rural America thrive.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TODD YOUNG TO
HUSEIN A. CUMBER

Track Safety

Question. With rail traffic increasing and new high-speed services coming online, there's growing attention on the safety of areas along the right-of-way, especially outside of traditional highway-rail crossings. Many railroads are exploring innovative technologies and community partnerships to reduce risks in these areas.

What can Congress do to help support railroads and their partners as they work to implement effective safety measures away from crossings?

A range of new technology is emerging to discourage, detect or prevent trespassing along the railroad right-of-way. For example, lidar, which uses reflected light to detect objects with high precision, is a particularly promising technology for use on the wayside (along the tracks) and onboard (on the front of the locomotive). However, currently railroads are discouraged from adopting new technologies because of the potential liability that they would assume in doing so. The voluntary adoption of any new technological system that expands a railroad's ability to detect and deter trespassers increases the risk of trespasser negligence claims against the railroad arising from any system downtime or deficiencies, or any delay or failure to immediately react to the information provided.

A similar legal hypothesis has limited the expansion of traditional chain-link fences on railroad corridors. Because fences are often cut, knocked down, or otherwise vandalized, the obligation to maintain and repair hundreds of miles of fence, and the potential for claims of negligence if that obligation is not met, is broadly understood to have limited the use of fencing along railroad rights-of-way. The lack of common-sense liability protections for railroads that invest in public safety infrastructure is curbing the expansion of promising safety technology.

Congress should support the adoption of new trespassing protection technologies and pass liability protections for railroads that implement trespass prevention efforts so that the railroads do not expose themselves to untenable additional risk in their efforts to mitigate behavior that is itself inherently illegal. Such liability protections would likely result in the rapid deployment of trespass prevention technology, ranging from fences to cutting-edge sensing technology, and significantly increase public safety around railroad tracks.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. GARY PETERS TO
HUSEIN A. CUMBER

Question 1. As I mentioned in my opening remarks, communities across Michigan have begun to address their blocked and dangerous railroad crossings by making

use of the Railroad Crossing Elimination Grant Program that Congress created as part of the Bipartisan Infrastructure Law. And while improvements to railroad crossings are an eligible use of CRISI funding, we've seen that this new dedicated funding for crossings has finally begun to move the needle on this problem in our communities. However, there are thousands of railroad crossings still in need of upgrades that remain unfunded, and communities in Michigan like Manistee and Kalamazoo will need additional resources to carry out the plans that they're currently working on. With that, I have a yes or no question for the whole panel. Do you believe Congress must maintain the Railroad Crossing Elimination Grant Program as a dedicated funding stream to address railroad crossing issues in the next Surface Transportation Reauthorization Bill?

Answer. Yes.

Question 2. My understanding is that Brightline's business model aims to provide passenger rail service in certain medium-range corridors without subsidies for operation—like what you have between Miami and Orlando and what you're building with Brightline West. Do you agree that the privatization model would not be financially feasible across the national rail network outside of certain high traffic corridors?

Answer. I do agree with that assessment. The Brightline business model is focused on corridors that are "too long to drive and too short to fly" and that connect city-pairs that are major populations centers.

Question 3. Mr. Cumber, you addressed Brightline's safety record at the hearing. When these collisions and accidents happen, what resources do you make available to workers on the train dealing with this traumatic experience?

Answer. Brightline's robust employee support program is laid out in its FRA-approved Critical Incident Stress Plan, which meets the requirements of 49 CFR 272.

Beyond the requirements of 49 CFR 272, Brightline's employee support begins by providing new hire engineers and conductors with one-on-one meetings with the company's mental health counselor. This conversation enables the employee to establish a relationship with the counselor early on and allows the counselor to assess the employee's unique needs and establish appropriate coping strategies. Once a baseline is established, the counselor can work with employees to develop best practices for handling stress and trauma so that they are more prepared and resilient in the unfortunate event that they are involved in a critical incident during their railroad career.

After a critical incident has occurred, Brightline takes the following steps to ensure its transportation employees are provided with adequate time to process and recover:

1. Reminds involved employees of the options available to them following a covered event
2. Offers employees the ability to be relieved of their duties at the scene of an incident
3. Provides transportation for those employees to their crew base
4. Offers counseling and support services
5. Offers three paid days off
6. Provides check-in phone calls from supervisors and other company representatives

Question 4. Mr. Cumber, your written testimony discusses Brightline West's positive connections with unionized labor. However, in January, onboard service workers at Brightline Florida voted to join the Transit Workers Union. Following that choice, Brightline sued the National Mediation Board to overturn the election, claiming that these workers have no right to organize as a railroad union. My question is twofold—

- a. Why do you believe that Brightline is not subject to the Railway Labor Act?
- b. And also, will Brightline continue to oppose any unionization of its Florida branch?

Answer. Brightline fully supports the right of our teammates to seek union representation. However, Brightline believes that the National Mediation Board (NMB) does not have jurisdiction in this instance.

Brightline's challenge to the jurisdiction of the NMB is pending in Federal Court in Florida.

The Railway Labor Act only applies to rail carriers who are also subject to the jurisdiction of the Surface Transportation Board (STB). Brightline operates solely within the State of Florida and is not part of the interstate rail network. Brightline is not subject to the STB's jurisdiction by virtue of a December 2012 decision.

This is a jurisdictional dispute. Not a dispute about whether we want our employees to have the ability to organize.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TAMMY DUCKWORTH TO
HUSEIN A. CUMBER

Question Topic: Rail Connectivity to Airports and Convention Centers

Question 1. As demand for air travel expands, better ground transportation connections will be critical. Enplanements at American airports are expected to grow from nearly 945 million in 2023 to 1.4 billion in 2040 and 1.7 billion in 2050. An estimated \$19.3 billion is needed to improve access to and from our airports over the next five years alone. That is why Senator Blackburn and I introduced the bipartisan, bicameral Don't Miss Your Flight Act, which would create an incentive to invest in surface transportation improvements into and out of public airports.

A. Mr. Cumber, based on Brightline's experience with its station at Orlando International Airport, how important is rail-to-airport connectivity, and would you recommend better rail-to-airport connectivity at other airports across the country?

Answer. Let me first commend you and Senator Blackburn for introducing the Don't Miss Your Flight Act. Any resources focused on alleviating congestion in our transportation system is critical for our growing economy. Connecting to Orlando International Airport is beneficial to both Brightline and the airport.

1. Orlando is a sprawling city with no single central location. For example, there is the theme park region, college area, downtown, and the convention center area. The only location that acts as a central transportation hub is Orlando International Airport. Therefore, it made sense to connect to the airport and tie into an existing distribution network for our passengers.
2. For the airport, our station becomes the hub of a new 120-gate terminal. This major investment was announced right after our decision to locate at the airport.
3. The airport is governed by a board that decades ago set a vision for having an intercity passenger rail system connected into the terminal. The board protected a rail corridor. Without this foresight, it would have been cost prohibitive for Brightline to put a station in the middle of the airport.
4. Orlando International Airport has direct flights to almost every major city in the world. Floridians can now use Brightline to connect to a major airport hub and connect non-stop to their end destination.

Having direct rail connections to major airports has a ridership benefit for the rail system but also provides new market opportunities for airlines.

For these reasons, dedicated funding to improve or create better rail-to-airport connectivity is important.

B. Do you agree that we need to invest in improved surface transportation connections to airports to keep up with growing airline passenger demand?

Answer. This past week, the Transportation Security Administration reported a record-breaking 18.5 million travelers from July 1 to July 7. This is a remarkable comeback from just five years ago when the U.S. was dealing with the pandemic. It also shows that Americans will continue to bounce back and travel by air after tragic events. Our surface transportation system must keep up with how people are moving-and want to move-and including better highway, rail, and transit connections are all important.

C. When improving rail-to-airport connectivity, how helpful do you believe it would be to connect convention centers to airports via rail?

Answer. Connecting Orlando International Airport to the Orange County Convention Center (and theme parks) is the next expansion phase for Brightline Florida. This connectivity will provide visitors with a transportation alternative to already congested highway systems. In many regions of the country, like Chicago, providing a direct connection between airports and convention centers would provide time and cost-efficient connectivity to visitors.