



Delmarva Central Railroad Company

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The Honorable Kumar P. Barve, Chair
Environment & Transportation Committee
251 House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: LETTER IN OPPOSITION TO HB 492 "Railroad Company - Movement of Freight- Required Crew"

Dear Chairman Barve and Committee Members:

I am the President and CEO of Carload Express, Inc. and its subsidiary the Delmarva Central Railroad Company ("DCR"). The DCR operates 188 route miles of railroad track on the Delmarva Peninsula. Our lines start in Delaware, run through Maryland and end in Hallwood Virginia, approximately 15 miles south of Pocomoke City, Maryland. I am writing in opposition to HB 492 "Railroad Company – Movement of Freight – Required Crew" as this legislation to regulate the size of freight train crews will have a negative effect on all industries in the State of Maryland that rely on rail freight service. HB 492 will also have a negative impact road safety, road congestion, air quality, and will ultimately increase costs for road maintenance in the State of Maryland.

Short line railroads like Delmarva Central are small businesses and we rely on the revenues generated by every railcar shipment received from our connecting partner railroads to pay our employees as well as to cover expenses such as fuel, locomotive maintenance, utilities, property taxes, crossing signals, track maintenance, and to make investments to upgrade our tracks. Mandating the size of freight train crews will ultimately make rail freight shipments more expensive and negatively impact service levels. As a result, our rail customers could switch to truck and our ability to grow rail freight traffic on our line in Maryland will be hindered. Should this occur, it would have negative financial effects on our company and could even result in a loss of jobs. In addition, rail customers switching to truck would increase truck traffic on Maryland roads and highways, which will have a negative impact on highway safety, congestion, air quality and increase costs for road maintenance.

Prior to becoming President & CEO of the Delmarva Central Railroad and its parent Carload Express, I spent a number of years managing and/or consulting for railways in both Europe and Australia where the use of "single-person" freight train crews is much more common and, in many instances, the accepted norm. Many countries view the use of single-person train crews as an enhancement to safety since only one person in the cab of a locomotive reduces distractions and increases situational awareness. In addition, there is no scientific data or historical evidence that larger crew sizes improve rail safety.

In recent years, the rail industry has spent billions of dollars making significant investments in safety technology including federally mandated Positive Train Control ("PTC"). I believe that PTC has been

implemented on the types or railroad lines covered that would be covered by HB 492 (i.e. High-Speed Passenger and Commuter Lines) and will protect against human error by automating safety-related functions currently performed by crew members. As you know, there is no substitute for technological innovations that eliminate human error. At a time when the U.S. Department of Transportation (as well as the Maryland Department of Transportation through its CAV working group) is promoting the use of autonomous vehicles on public highways, it is unreasonable to burden rail carriers with requirements for misplaced or redundant crewmembers. I should also point out that in 2019 the Federal Railroad Administration concluded that regulation of minimum train crew size is not justified and indicated its intent to preempt all state laws and regulations on this topic. In fact, in September of last year, the U.S. District Court for the Northern District of Illinois held that an Illinois state crew size law, which was very similar to what has been proposed by HB 492, was preempted by the Federal Railroad Safety Act.

In summary, while HB 492 does not currently affect our company directly, it will be disadvantageous to all railroads. It will increase costs, reduce productivity, and have a negative effect on all industries in the State of Maryland that rely on rail freight service, all while not providing any improvements to safety. This legislation will also have a negative impact on road safety, congestion, air quality and increase costs for road maintenance in the State of Maryland.

Sincerely,



Mark A. Rosner