
March 23, 2021

The Honorable Delores G. Kelley
Chair, Senate Finance Committee
3 East, Miller Senate Building
Annapolis MD 21401

Re: Letter of Opposition – House Bill 492 – Railroad Company - Movement of Freight - Required Crew

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) respectfully opposes House Bill 492, as it would detrimentally impact the MDOT Maryland Port Administration (MDOT MPA) and the Port of Baltimore, and the MDOT Maryland Transit Administration (MDOT MTA) MARC Train Service.

House Bill 492 requires freight railroad companies to have a two-person crew when operating in the State in the same rail corridor as high-speed passenger or commuter trains. With both Amtrak (high-speed passenger) and MARC Train Service (commuter trains) operations in the State of Maryland, a large majority of freight rail operators in the State would be subject to the requirements of this bill. This legislation puts the Port of Baltimore at a competitive disadvantage with neighboring ports, as no other state on the U.S. East Coast has such a requirement. Mandating that carriers in the State of Maryland use a larger crew size than would be required on the same railroads operating out of Norfolk, Philadelphia, or New York will directly result in an increase in shipping costs and deter carriers from operating in the State, resulting in a loss of jobs and investment directly related to the Port.

It is also anticipated that this will increase the operating costs of MARC Train Service. Two of MARC's three service lines run on tracks owned by freight rail operators, which will likely require MARC to pay for any costs they incur from this bill and/or require MARC to operate its trains with additional crew. Furthermore, increased costs for MARC Train Service may result in service reductions due to budgetary constraints, and if service is reduced then train slots given back to the host railroads may be lost forever.

With the intention of safety in mind, technology has significantly contributed to a reduction in accident rates as crew sizes have decreased over the years. Over the last several years, freight rail operators and passenger train operators have spent billions of dollars nationwide implementing Positive Train Control (PTC), a risk reduction technology that makes rail travel even safer. With the implementation of PTC, this trend will continue.

Additionally, House Bill 492 is preempted by federal law. In May 2019, the Federal Railroad Administration (FRA) withdrew its Notice of Proposed Rulemaking that would have regulated crew size nationwide had it become law. Furthermore, the FRA stated a two-person crew mandate would "impede the future of rail innovation." In states where a two-person crew mandate has passed, it has

The Honorable Delores G. Kelley
Page Two

been challenged through the legal system. Most recently in September 2020, the U.S. District Court for the Northern District of Illinois ruled in favor of the railroad companies that the FRA's decision to withdraw a proposed crew-size mandate is federal regulation and therefore preempts state law.

At the Port of Baltimore, the MDOT MPA strives to accomplish its mission to increase waterborne commerce through the State of Maryland in a way that benefits the citizens of the State. In doing so, the Port has consistently proven its value as a good neighbor and strong partner throughout the State. The Port of Baltimore generates 15,330 direct family-supporting jobs for Marylanders, where the average wage of these jobs exceeds the statewide average annual wage by 9.5%. The Port handles more automobiles, light trucks, and roll-on/roll-off farm and construction machinery than any other port in the U.S. During this challenging time amid the COVID-19 pandemic, Maryland's Port continues to play an integral role in maintaining our nation's supply chain, moving vital goods to the healthcare industry and consumers. The Port of Baltimore remains a beacon of optimism for the State's economic resiliency, where cargo numbers continue to climb.

For the Port of Baltimore to continue to operate successfully as an economic engine for the State, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports. The Port of Baltimore must remain open for business and investment, as the success of our Port directly benefits the State and the hardworking men and women who depend on it.

MDOT MTA's MARC Train Service works to provide safe, efficient, and reliable transit across Maryland with world-class customer service. MARC provides commuter rail service between Perryville, MD and Washington, DC through Baltimore, MD (Penn Line), Martinsburg, WV and Washington DC through Brunswick, MD and Frederick, MD (Brunswick Line), and Baltimore, MD and Washington, DC (Camden Line). It serves 42 stations and carried over 9,000,000 trips annually prior to the pandemic, enabling Marylanders to commute to jobs across the State and in Washington, DC while enjoying the many benefits of living in the State of Maryland. For MARC Train Service to continue to provide vital commuter rail service to Marylanders, it cannot afford increased operating costs and the potential permanent loss of train slots for commuter rail service.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant House Bill 492 an unfavorable report.

Respectfully Submitted,

William P. Doyle
MPA Executive Director
Maryland Port Administration
410-385-4401

Kevin B. Quinn, Jr.
Administrator
Maryland Transit Administration
410-767-3943

Melissa Einhorn
State Legislative Officer
Maryland Department of Transportation
410-865-1102