The Honorable Pamela Beidle 3 East Miller Senate Office Building Annapolis, MD 21401

RE: LETTER IN OPPOSITION TO SB1060

Good Afternoon

Dear Chairman Beidle and members of the committee,

For the record my name is Lydia McPherson, and I am the regional Government Relations Manager for Norfolk Southern. I am testifying today in regard to SB1060.

First, I want to take this opportunity to both recognize and commend the committee's intent to help make rail - the safest, most efficient, and most sustainable way to transport goods over land that exists today - even safer. This is a goal that Norfolk Southern shares and is committed to advancing. However, due to the unique and critical role that the national railroad network plays in our nation's supply chains, it is important that rail policy remain nationally uniform, as it traditionally has been, rather than regulated state by state. In fact, some of the issues within the bill are already actively being addressed by the Federal Railroad Administration (FRA) through a comprehensive and robust rulemaking process. This existing process engages multiple stakeholders and aims to ensure that the suggested regulations have nationwide applicability as well as recognize the importance of consistent regulations in interstate commerce.

Take the issue of crew size, for example. In its 2022 Notice of Proposed Rule Making (NPRM) for Train Crew Size Safety Requirements, the FRA cites the need to prevent various state laws from "creating a patchwork" of regulation throughout the country. The FRA notes that "such a patchwork of State laws would likely result in significant cost and operational inefficiencies, and *even potential safety concerns* from a lack of a uniform standard." This focus on nationwide standards will undoubtedly carry forward to the Final Rule, which is expected later this year.

This principle of nationwide regulatory consistency is important in many other areas of railroad operations, including Wayside Detector Systems. The installation and maintenance of wayside detectors is an investment that railroads have taken upon themselves to implement without regulatory mandate. While certain aspects of these systems, such as hot wheel bearing detectors, have been utilized by the industry for many years, newer technology is continuously being developed and best practices surrounding these complex systems are still evolving. Norfolk Southern and our industry partners continue to engage with the FRA on this topic. This includes working with the federal Railroad Safety Advisory Committee (RSAC) that was recently

<sup>&</sup>lt;sup>1</sup> <u>Train Crew Size Safety Requirements</u>, 87, No. 144, (Proposed July 28, 2022) (to be codified at 49 CFR Part 218)

established to develop new regulations for wayside detector systems, including location, testing, maintenance, alarm response, and other related topics. If the regulation surrounding the use of wayside detectors were to differ from state to state, it could create confusion or even hinder innovation and collaboration between nationwide stakeholders. While the railroad industry may not always agree with all regulatory efforts, we recognize that any regulations need to be nationwide in scope and application.

Safety is at the core of Norfolk Southern's operations. In 2023, our company invested \$1 billion into infrastructure improvements throughout our 22-state network, and strengthened our preexisting safety procedures in accordance with our ongoing mission of becoming an even safer railroad for our employees and the many communities we serve. As we continue this work, it is important that we engage in thoughtful conversations around the best way to move the industry forward throughout our entire system, not just here in Maryland, and avoid the problems associated with an inconsistent regulatory environment.

For these reasons, I respectfully ask for an unfavorable report on SB1060.

Sincerely,

Lydia McPherson Norfolk Southern Manager of Government Relations