



The Honorable Pam Beidle
Senate Finance Committee
Miller Senate Office Building
Annapolis, Maryland 21401

Re: Opposition to SB1060 Railroads Safety Requirements (Maryland Railway Safety Act of 2024)

Madam Chair & Members of the Committee

We are writing on behalf of Ports America Chesapeake, the terminal operator and stevedore responsible for operations at the Port of Baltimore, to express our opposition to SB1060, the proposed Maryland Railway Safety Act of 2024. Ports America strongly supports initiatives aimed at railway safety, yet the provisions outlined in this bill go too far, posing significant risks to the efficiency and competitiveness of the Port of Baltimore that are critical to its future growth and success. The Port of Baltimore serves as a vital economic driver for the state of Maryland, supporting thousands of jobs and facilitating billions of dollars in trade each year. Therefore, we must oppose legislation that may unnecessarily jeopardize the Port's ability to compete in the United States and around the world globe.

Several provisions will directly impact the Port of Baltimore:

Limitation on Train Length

Efficiency and Capacity: Freight trains greater than 8,500 feet in length are common in the transportation industry due to the economies of scale they offer in terms of efficiency and capacity. Restricting train length could significantly impact the Port of Baltimore's ability to handle large volumes of cargo efficiently, especially during peak periods.

Economic Impact: Standard length trains allow for the transportation of larger quantities of goods in a single trip, reducing transportation costs for businesses and enhancing the competitiveness of the port. Limiting train length would increase the number of trains required to transport the same amount of cargo, leading to increased congestion, operational costs, and potentially higher fees for port users.

Intermodal Connectivity: Longer trains facilitate better integration with intermodal transportation networks, such as rail-to-truck or rail-to-ship transfers, improving overall logistics

efficiency. Limiting train length could disrupt these intermodal connections and make the Port of Baltimore less attractive to shippers seeking seamless transportation solutions.

Reducing Grade Crossing Time to No More Than 5 Minutes

Impact on Operations: This provision could hinder the efficient movement of freight trains to and from the Port of Baltimore. Delays in train movement due to strict time limits on grade crossing blockages would disrupt supply chains and negatively affect port operations.

Safety Concerns: Safety is paramount to Ports America Chesapeake, yet arbitrary time limits may have the opposite intended effecting - forcing operators to rush through operations or make hasty decisions to avoid exceeding the time limit and potentially compromising safety protocols. Ensuring safety while maintaining the fluidity of rail operations is essential both for keeping workers safe and the port's competitiveness.

Competitive Disadvantage: Imposing such strict time limits on grade crossing blockages could place the Port of Baltimore at a competitive disadvantage compared to other ports with more flexible regulations. Shippers may opt for ports with smoother rail operations to avoid delays and associated costs.

Other Provisions

Mandatory Crew Size Requirements: Requiring specific crew sizes for railroad operations could significantly increase operating costs for railroads serving the port. This increase in costs may be passed on to port users, making the Port of Baltimore less competitive compared to other ports with more flexible regulations.

Wayside Detectors Mandate: Mandating the installation of wayside detectors could lead to additional infrastructure costs for railroads operating in the state. These costs may result in increased fees for transporting goods through the port, making the Port of Baltimore less attractive to shippers seeking cost-effective transportation solutions.

Labor Union Investigation Requirement: Requiring investigations by railroad labor union representatives could introduce delays and bureaucratic hurdles in the event of incidents or accidents. Such requirements may hinder the timely resolution of issues and disrupt port operations, affecting the port's competitiveness and reliability as a transportation hub.

Database for Hazardous Materials Transportation: It is essential that we ensure transparency and oversight of hazardous materials transportation, but the legislation's administrative burden of maintaining a comprehensive database could divert resources away from core port operations. This diversion of resources may lead to inefficiencies and increased costs for port users, diminishing the port's competitiveness.

We share Maryland railway safety goals, but the provisions outlined in SB 1060 pose significant challenges that could harm the competitiveness and efficiency of the Port of Baltimore. We urge

you to reconsider these provisions and work with industry stakeholders to develop balanced solutions that prioritize safety without compromising the port's ability to compete in the global marketplace.

Thank you for considering our concerns. Should you require any further information or clarification, please do not hesitate to contact Ports America Chesapeake.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Leech".

Matthew Leech
President & CEO
Ports America

A handwritten signature in blue ink, appearing to read "Mark Schmidt".

Mark Schmidt
VP & General Manager
Ports America Chesapeake