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February 26, 2026

The Honorable Marc Korman  
Chair, Environment and Transportation Committee  
250 Taylor House Office Building  
Annapolis, MD 21401

***Re: Letter of Concern – House Bill 862 – Railroads – Required Crew for Movement of Freight***

Dear Chair Korman and Committee Members,

The Maryland Department of Transportation (MDOT) takes no position on House Bill 862 but respectfully offers the following concerns as it may have a detrimental impact on the Port of Baltimore, the Maryland Transit Administration, MDOT's Freight Railroad, and the State's Transportation Trust Fund revenue.

The Port of Baltimore is one of the leading ports in the nation for freight and an economic generator for the State of Maryland. HB 862 would prohibit a railroad train used in connection with the movement of freight from operating in the State of Maryland unless it has a crew of at least two individuals. In March 2024, the Federal Railroad Administration issued a final rule codifying a train crew size standard that requires a minimum of at least two crew members. The final rule ensures rail operations are governed by consistent safety rules across the United States and preempts state law.

In the event the final rule is overturned, HB 862 would create a patchwork of state regulation on the national supply chain. Many businesses in Maryland rely on the efficient rail service provided by freight railroads operating in the State, providing access to raw material for manufacturing and a cost effective and environmentally conscious mode of transport for finished goods. Rail lines are critical arteries in the supply chain. HB 862 risks weakening Maryland's link in a competitive marketplace.

The Port of Baltimore has grown significantly, breaking records, adding jobs, and bolstering economic activity in the process. Carriers will always move cargo by the most efficient and economical means, and the Port is in constant competition with rival ports to increase cargo volumes and generate business activity. This legislation would threaten the State's ability to maximize the benefits and return on investment for the Howard Street Tunnel Project. The success of our Port directly benefits the State and the hardworking individuals who depend on it. For the Port to continue to operate successfully as an economic engine, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports.

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Finally, the MTA operates the Maryland Area Regional Commuter (MARC) Train Service. MARC operations on the Camden and Brunswick Lines rely on CSX Transportation, Inc.- owned track and infrastructure pursuant to an Access Agreement between MTA and CSX. The most recent agreement, which became effective on July 1, 2021, includes a provision requiring MTA to reimburse CSX for up to \$6.0 million annually if the State enacts laws or regulations that increase minimum train crew size requirements, with an explicit carveout if such changes result from federal action. If current federal guidelines were rescinded by the courts and Maryland were to proceed independently through HB 862, the State could trigger the reimbursement provision in the Access Agreement, resulting in MTA assuming up to \$6.0 million per year in additional railroad costs. Such an outcome would impose a significant and unbudgeted burden on the Transportation Trust Fund and could adversely affect MTA's strategic relationship with CSX as it advances current and future capital and service initiatives on the MARC Camden and Brunswick Lines. Further, the State of Maryland's Freight Railroad (Canton Railroad Company) and Contract Operating Railroad (Maryland and Delaware Railroad) may incur additional operating costs to meet this requirement as well. This cost is unknown, but is estimated to exceed \$1.3 million annually, which will likely be passed on to the State of Maryland.

The Maryland Department of Transportation respectfully requests the committee take these considerations into account during its deliberation of House Bill 862.

Respectfully Submitted,

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Maryland Department of Transportation  
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