ROY BLUNT

CHAIRMAN, REPUBLICAN POLICY COMMITTEE

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COMMITTEES: APPROPRIATIONS

COMMERCE, SCIENCE AND TRANSPORTATION

RULES AND ADMINISTRATION, CHAIRMAN

SELECT COMMITTEE ON INTELLIGENCE

February 26, 2020

The Honorable Ann D. Begeman Chairman Surface Transportation Board 395 E Street, Southwest Washington, DC 20423 The Honorable Patrick J. Fuchs Board Member Surface Transportation Board 395 E Street, Southwest Washington, DC 20423

The Honorable Martin J. Oberman Vice Chairman Surface Transportation Board 395 E Street, Southwest Washington, DC 20423

Dear Chairman Begeman, Vice Chairman Fuchs, and Commissioner Oberman,

Freight rail is a critical part of our nation's transportation system, which helps ensure our states, communities, workers, farmers, families, and businesses have access to the goods and markets they need to grow and succeed. Missouri alone has ten freight railroads that encompass over 3,800 miles of track and the industry employs over 7,000 in the state. As the freight railroads' economic regulatory agency, the Surface Transportation Board (STB) plays an important role in ensuring that the railroads can continue to provide the safe, reliable, and sustainable service their customers, and the communities they serve, rely upon.

I appreciate the STB's efforts to make itself more efficient and transparent for shippers and the railroads alike. As you work on these matters, I urge you to maintain the balanced underlying economic framework that has been the bedrock for the STB's decisions for almost forty years. As you know, many of the issues the STB is considering could have far reaching effects on the rail network and the shippers they serve. It is crucial that any proposals moving through the regulatory process continue to be grounded in sound economic principles and supported by data-driven empirical analyses. It is imperative that railroads are able to compete on an equal playing field to other modes of transportation and be incentivized to invest in new infrastructure, enhance rail service, and improve safety.

The principles that the STB has relied upon have allowed the rail industry to achieve its safest era ever and invest an average of \$25 billion annually to maintain and improve their operations and private infrastructure, including the implementation of positive train control. Furthermore,

these investments have led to rail being recognized as the highest graded form of infrastructure by the American Society of Civil Engineers. It is crucial that any regulatory structure continue to recognize the importance of the railroads' ability to improve and maintain their world-class networks in order to meet their customers' and the nation's freight transportation demand today and in the future. The railroad industry has a tremendous economic impact nationwide and in Missouri. I urge the STB to take into consideration any adverse regulatory decisions that may impact the railroad industry's contribution to our nation's economy.

Thank you for your consideration.

Sincere regards,

Roy Blunt

United States Senator