

521 DIRKSEN SENATE OFFICE BUILDING WASHINGTON, DC 20510-1606 P: (202) 224-6521 F: (202) 228-6966 moran.senate.gov

United States Senate

COMMITTEES: APPROPRIATIONS

COMMERCE, SCIENCE, AND TRANSPORTATION

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February 14, 2020

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

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

The rail system in Kansas plays a critical part in our state and nation's freight transportation system ensuring local communities, farmers, and businesses have access to the goods and markets they need to grow and succeed. Kansas' location on principal rail corridors ensures rail access for constituents and their commodities to every region of the United States, as well as Canada and Mexico. As one of the top agriculture producing states in the nation, dependable rail service is critical in ensuring our commodities reach market. Overall, the agriculture sector is estimated to contribute approximately \$46.9 billion to Kansas economy and supports over 134,000 jobs. 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's 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,

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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. Thank you for your consideration on these important issues.

Sincerely,

Jerry Moran

Senator Jerry Moran

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