

June 8, 2018

Dear United States Conference of Mayors Annual Meeting Attendees and Other U.S. Mayors:

Largely regulated by the federal government, private freight railroads are not always top of mind to local policymakers. Yet we are deeply connected and committed to local communities, helping businesses safely and efficiently move products that in turn boost the well-being of cities and towns. Open dialogue is critical and we are committed to ensuring our operations are as safe and beneficial to your localities as possible.

As such, we write to you today as you convene your annual conference to raise some key facts surrounding our industry. If you take away one thing, we hope it is this: railroads spend massive sums of private capital – \$26 billion annually in recent years – to serve businesses, bolster safety and evolve technologically. Together, this private spending helps reduce carbon emissions, removes trucks from local roads and highways and supports some 1.5 million jobs.

- **Economic impact:** Railroads generate roughly \$274 billion a year in economic output and \$33 billion in state and federal taxes that go into the coffers of government. Every railroad job supports nine others in the economy.
- **Connection to international trade:** International trade is directly tied to at least 42% of rail traffic and approximately 50,000 domestic rail jobs, worth over \$5.5 billion in annual wages and benefits.

Working towards zero incidents and injuries is at the core of all the industry does, a goal increasingly in sight and aided by the fact that the rail sector is very much in the technology business. Plenty of work remains, but the outlook is bright.

- **Safety:** Based on federal data across three key measures – train accident rate, grade crossing collisions and employee safety – recent years have been the safest in rail history. Last year marked the lowest rate of track-caused and human factor-caused accidents ever. The train accident rate is down 44 percent since 2000.
- **Technology:** Private freight railroads are on track to install Positive Train Control (PTC), which will help stop a train before certain types of human-caused accidents occur. A host of next-generation solutions, such as ultrasound and unmanned drones, are allowing railroads to inspect their track and equipment with greater efficiency and reliability.
- **AskRail:** To add a layer of security and equip first responders with needed information, rail industry and fire fighter leadership make the AskRail mobile application available to qualified individuals. Through this program, first responders can access the rail contents traversing their territory, an ideal way to inform those who need to know. It is an example, along with on-the-ground training exercises, of how the industry works with your communities.

I would be remiss if I did not note that federal policymakers continue to consider increases to federal truck size and weight limits, an issue that affects local policymakers as they try to build and/or improve infrastructure. Local government groups typically oppose such efforts, and for good reason: large trucks fail to cover their costs today. Longer and heavier trucks will only exacerbate this problem. We hope that local leaders continue to oppose increases to truck sizes.

As mayors, you are at the vanguard of public policy, directly engaged with your constituents. We hope that as you guide your locality that you consider the contents of this letter, understanding that private freight railroads are a safe, affordable, efficient and environmentally friendly way to move goods. We thank you for your time and consideration and welcome any subsequent discussion.

Sincerely,



Edward R. Hamberger, President and CEO, Association American of Railroads