July 13, 2023

Dear Members of Congress:

The undersigned individuals write to express concerns with the <u>Railway Safety Act</u> (S. 576). Safety advancement in any mode of transportation, including U.S. freight railroading, is critical; but public policy should be written to address specific problems. It should be rooted in data and pass the muster of cost-benefit analysis.

While the legislation that cleared the Senate Commerce Committee is better than the original bill introduced in March, it still includes far too many prescriptive policies, unduly favors organized labor, and would unduly empower unelected bureaucrats. This is why it garnered the support of just two Republicans on the Committee.

Sen. Ted Cruz, ranking member of the Commerce Committee, and energy experts have also outlined how the bill would disrupt domestic energy production, while the agriculture, propane, and intermodal transportation industries, to name a few, remain opposed.

The most glaring issues with the legislation include the following:

- The bill seeks to mandate that large railroads maintain two-person crews the current standard set by voluntary collective bargaining in perpetuity. Public policy groups have opposed this measure, also being pursued by the Biden administration's Department of Transportation, because it is unneeded, ignores technology backstops, and would lessen competition. Two may seem better than one, and perhaps two will be the voluntary standard into the future, but lawmakers should not cement this into law, especially not in reaction to a February train derailment that included a three-member crew. Railroads should have the flexibility to adjust their operations in the future. This measure is likely why Sen. John Thune (R-SD) called the bill a "stalking horse for onerous regulatory mandates and union giveaways."
- The largest section of the bill deals with the movement of hazardous materials, triggering an unfathomable number of future rulemakings pertaining to issues such as train size. As currently written, these rulemakings would avoid cost-benefit analysis (CBA). Conservatives have long championed the need for CBA because no human activity is 100% safe 100% of the time. Every activity involves some form of CBA. New railroad safety laws should certainly require them, including a survey of the likely risks created as railroads and shippers alter procedures to mitigate the cost of the new rules.
- Lastly, the bill also includes prescriptions on the use of trackside detectors, which exist today not
 because of regulatory wisdom but market innovation. Rather than dictate expansion of these
 proven technologies, government policies should seek to incentivize their evolution and
 adoption. Time and time again, when the federal government locks into a single technology the
 public suffers as industry lacks the flexibility or incentive to pursue next-generation technologies.

Railroads are crucial for the efficient running of the nation's supply chain. That makes it all the more important that Congress pursue wise, cost-effective policies that benefit the entire nation, as opposed to

ones that primarily aid a few well-placed special interests. Congress needs to avoid rushed policymaking that caters to special interests rather than addressing the issues at hand in a thoughtful, cost-effective manner.

Sincerely,

Iain MurrayGarrett BallengeeSenior FellowExecutive Director

Competitive Enterprise Institute Cardinal Institute for West Virginia Policy

Sean Higgins Ryan Ellis Research Fellow President

Competitive Enterprise Institute Center for a Free Economy

Paul J. Gessing Timothy H. Lee
President Senior Vice President of Legal and Public Affairs

Rio Grande Foundation Center for Individual Freedom

James L. Martin Roslyn Layton
Founder/Chairman Co-Founder
60 Plus Association China Tech Threat

John Shelton Matthew Kandrach Policy Advisor President

Advancing American Freedom Consumer Action for a Strong Economy

Saul Anuzis Nathan A. Benefield
President Senior Vice President

American Association of Senior Citizens Commonwealth Foundation

Steve Pociask Hon. Kenneth "Ken" Cuccinelli II
President and CEO Former VA Attorney General, Former Acting

American Consumer Institute Deputy Secretary of Homeland Security

Richard Manning Benjamin R. Dierker President Executive Director

Americans for Limited Government

Alliance for Innovation and Infrastructure*

Brent Gardner Steve Forbes

Chief Government Affairs Officer Chairman and Editor-in-Chief

Americans for Prosperity Forbes Media

John HartAdam BrandonExecutive DirectorPresident

C3 Action (Conservative Coalition for Climate FreedomWorks

Solutions Action)

George Landrith President

Frontiers of Freedom

Cameron Sholty Executive Director Heartland Impact

James Taylor President

Heartland Institute

David R. Henderson Research Fellow

Hoover Institution, Stanford University

Tom Giovanetti President

Institute for Policy Innovation

Andrew Langer Founder

Institute for Regulatory Analysis and

Engagement

Ike Brannon Senior Fellow

Jack Kemp Foundation

Alfredo Ortiz President & CEO Job Creators Network

Brett Healy President

The John K. MacIver Institute for Public Policy

Drew Cline President

Josiah Bartlett Center for Public Policy (NH)

Patrick McLaughlin

Senior Research Fellow, Dir. of Policy Analytics Mercatus Center at George Mason University*

Matthew Gagnon

CEO

Maine Policy Institute

Charles Sauer President

Market Institute

Douglas Carswell President and CEO

Mississippi Center for Public Policy

Brandon Arnold

Executive Vice President National Taxpayers Union

Marcos Lopez

Outreach & Coalitions Director Nevada Policy Research Institute

Daniel J. Erspamer

CEO

Pelican Institute for Public Policy

Karen Kerrigan President & CEO

Small Business & Entrepreneurship Council

David Williams President

Taxpayers Protection Alliance

Mike Gallagher Vice President

Washington Policy Center

Carol Platt Liebau

President

Yankee Institute

^{*}Affiliation for Identification Purposes Only