

February 14, 2022

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

Dear Chairman Oberman and Members of the Surface Transportation Board,

Efficient freight networks benefit every Florida business, industry, manufacturer, and consumer. Recent upheaval in the supply chain has made this even more apparent. In that context, we write today in opposition to the proposed rule on freight rail reciprocal switching (EP 711-1), which could constrict rail service and investment.

Trains are especially crucial in Florida, where our port system is an economic powerhouse connected to the rest of the country by two Class I railroads and several regional lines like the Florida East Coast Railway. The 15 freight railroads that cross our state are an economic multiplier, both in terms of the direct high-paying jobs they provide and the jobs and industries they support.

As private companies, carriers like Jacksonville-based CSX have spent a collective \$25 billion annually in recent years on their networks, receiving little help from taxpayers. And like all infrastructure, the rail network requires nearly nonstop spending. It's worth noting that freight rail companies never requested or received government assistance during the pandemic.

But this reinvestment back into the network that is so beneficial to our communities could be undermined by the proposed rule. Forced switching would add enormous complexity to rail operations (as much as 68 steps for a single car switch), and when multiplied across the national network, it would compromise rail fluidity. Major shippers like UPS have echoed this point.

Not just a short-term adjustment for railroads, forced switching would deter investment by creating uncertainty about whether a given railroad could regain its investments into infrastructure. In turn, less efficient rail service would push customers toward highway options. Especially now, as supply chains and the transportation landscape are evolving, it would be detrimental to make railroads less competitive with other modes.

For Florida, rail means reduced traffic (4.3 million fewer trucks) and less burden on roadways and the taxpayers who fund them. Trains are also 3-4 times more efficient than heavy trucks, saving the emission of 4.4 million tons of greenhouse gases in Florida alone in 2019.

For these reasons, we hope the board will refrain from a judgement that results in mandates for freight rail and more switching in Florida and across the rail network. The businesses and producers who use rail in our communities thrive when this network is predictable and efficient.

Please reject switching mandates that would disrupt the network, constrict rail service, and jeopardize private rail investment.

Sincerely,

Brewster Bevis
CEO
Associated Industries of Florida

Scott Galvin
Councilor
City of North Miami

Ed Hooper
Senator, District 16
Florida General Assembly

Cyndi Jantomaso
Executive Director
Haines County Economic Development

Stan McClain
Representative, District 23
Florida General Assembly

Bill Mutz
Mayor
City of Lakeland

Sean Parks
Commissioner
Lake County

CC: Members of the Florida Congressional Delegation