

STATEMENT OF

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BEFORE THE

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

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Good morning Mr. Chairman and Committee Members.

I appreciate the opportunity to appear this morning on behalf of the American Short Line and Regional Railroad Association (ASLRRA). Nationwide there are over 500 short line railroads operating nearly 50,000 miles of track and employing over 23,000 individuals.

As I will discuss in a moment, there are differences in the operating environments of the short line railroads and their Class I counterparts and those differences make this a somewhat easier subject for the short line industry. Notwithstanding those differences I want to emphasize our support for the points Mr. Hamberger made in his remarks, particularly with regard to the hours of service act. As I have said at each one of these hearings, the efficiency, competitiveness and profitability of the short line industry is directly related to the efficiency and competitiveness of our Class I connections. Mr. Hamberger's observations on the interplay between the hours of service act, railroad scheduling requirements and collective bargaining agreements are very important and I hope the committee will take those observations to heart.

The tempo of short line railroading is different than that of the Class I's and that difference affects how we think about the issues you are considering today. Short lines are generally operating in a much smaller geographic area than the Class I railroads. These shorter distances combined with slower speeds and smaller consists produce more predictable work schedules and more routine patterns of interchange and delivery. We are better able to anticipate work loads, design train and car trip plans, regularize train crew schedules, plan for maintenance crew operations and right of way and equipment inspection programs.

This more routine and predictable tempo has contributed to what we believe is an impressive and improving safety record as documented by the FRA's safety statistics. In 1990 the Class II and III industry experienced 651 human factor accidents. Last year we had 242, and to date in 2006 we have had 63. Any accident is one too many and tireless effort is required to continue to improve our record. But the trend line for small roads has been headed in the right direction for some years now.

Our improving record is also evidenced by another set of numbers used by short lines. Class II and III railroads rely on a severity index to assess our safety performance each year. We believe this more accurately measures our progress and allows us to target resources in areas where they can do the most to alleviate the worst. 10 years ago the injuries among short lines totaled 1,426. In 2005 the serious injuries totaled 25 and non severe were 746.

While I believe the nature of our operations contributes to our favorable safety record, there are two other factors that have contributed. First, we take safety training very seriously and we at the association are constantly looking for ways to enhance existing training and to encourage individual short lines to do more of it. In January of 2005 we entered into a new partnership with the National Academy of Railway Sciences

to facilitate short line use of this outstanding training facility. Short line attendance has increased steadily since the new partnership was announced.

Second, the short lines are making every effort to improve our track. As you know, the short industry inherited the worst of the nation's track infrastructure when we begin taking over these properties in the 1980's. Today short lines plow almost a third of their annual revenues back into infrastructure improvements. That is more than any other industry in the country. Beginning in 2005 we have been able to increase that investment thanks to the new rehabilitation tax credit that so many of you were helpful in securing. As our track improves, our safety record will improve and we think the statistics I mentioned bear that out.

I am encouraged by our improving record and I am optimistic that continued attention to safety training and track upgrades will help us continue that improvement in the future. but there are other factors that we must focus on continuously to avoid accidents. I will not dwell on these in detail but believe that it is important to highlight them briefly:

\*Drug and alcohol testing must be steadily pursued with serious determination. This is an on-going human factors aspect of all work forces today and we take it very seriously.

\*Failure to comply with established rules and procedures is a critical human factor dimension that requires constant attention. To counter this compels consistent and tireless emphasis and correction by supervisors. Taking shortcuts and ignoring established rules must be corrected through observation, counseling and retraining.

\*Insuring adequate supervisory oversight is the most challenging and in some respects the most important human factor consideration for the small railroad industry. Not checking, not validating, not compelling compliance and not taking the appropriate corrective actions all lead to bad habits, potential accidents and poorly managed railroads. To counter this requires vigilance by supervisors at every level. when problems are identified they must be corrected immediately. Recently the ASLRRA has initiated the SAVE program. The safety and validation evaluation inspection places our most experienced operating staff members on the short line system for several days to assess and educate short line railroaders at their work sites. While a small step, the initial returns are significantly improving operating procedures and compliance with rules.

Short line operations are different than those of the class I railroads and those differences have made our job somewhat easier when it comes to human factor issues. Nonetheless we are far from immune from human errors and such issues as fatigue. It is for this reason that we introduced the fatigue program for Class II and III railroads in March 1999. We are proud that our numbers are improving but we strive to do better.

I thank you for your time and attention today and would be pleased to answer any questions you may have at the appropriate time.