



American Short Line and Regional Railroad Association

50 F Street, NW
Suite 500
Washington, DC 20001
aslrra@aslrra.org
www.aslrra.org

Contact:
Amy Krouse
akrouse@aslrra.org
(Cell) 312-371-6947

ASLRRRA Testifies to Dire Consequences to Small Railroads of New California Rule

Baker illuminates economic harm of California Air Resources Board rule forcing short lines to shutter and spurring new health and safety hazards

WASHINGTON – June 13, 2024 – Chuck Baker, President of the American Short Line and Regional Railroad Association (ASLRRRA), testified today before the U.S. House Committee on Science, Space, and Technology, Subcommittee on Investigations and Oversight in a hearing titled “Environmentalism Off the Rails: How CARB Will Cripple the National Rail Network.”

“The title of the hearing says it all – the CARB In-Use Locomotive Rule will have dire consequences for short lines, and will cripple the U.S. rail network,” said Chuck Baker. “In the rulemaking text, CARB directly acknowledges its understanding of the impact, *‘If **these businesses** are unable to pass on the costs of the Proposed Regulation to customers, it is possible some of **these businesses** would be **eliminated.**’*” What they have failed to recognize is the broad reaching, national negative impact of that reality to shippers, the economy – particularly in small town and rural America – and to the American public due to tens if not hundreds of thousands of additional heavy trucks on the nation’s highways as the freight we carry is displaced.”

CARB's new rule would force railroads to set aside significant revenue to acquire low and zero-emission locomotives that are not commercially available, not viable at-scale for the industry, and not anywhere near affordable for small railroads.

In written testimony, ASLRRRA details the many ways that this rulemaking will impact California's economy, including the loss of efficient transportation for shippers, forcing some out of business or spurring others to relocate out of California; the U.S. economy as jobs are lost on the railroads and the industries that support them; and the disruption to the seamless movement of goods on rail across state lines.

Further, shuttering short lines, and the resulting displacement of freight to truck transportation will result in new health and safety hazards. These include an ironic increase in greenhouse gas emissions and tire particulate matter, and negative impacts including increased road crashes, deaths, congestion, and taxpayer-supported road maintenance due to the damage heavy trucks cause.

"In addition to the dire real-world economic and environmental consequences of this rule, we object to this rule for two other critical reasons. One, it is preempted by federal law. No state should be able to regulate the national rail network, which is what this rule does. And two, it is arbitrary and capricious, calling on the rail industry to upend its financial underpinnings and common operating practices to adopt technology that is in its infancy and not ready for prime time," said Baker. "Zero emission freight locomotives don't exist in a commercially viable form, and don't yet have the power to do the job needed in the varied, harsh freight railroad operating environments. And even if those challenges were magically resolved, the locomotives wouldn't be remotely affordable for short lines."

The testimony also notes that CARB and ASLRRRA members are aligned in one area – the need to continually reduce emissions. Short lines are making significant investments to better the already low (only 1.8% of the transportation system's greenhouse gas emissions and about 0.6% of the nation's total emissions) environmental impact of rail. These investments include

upgrading locomotives to lower-emissions options, testing fuel injectors and alternate fuels, and demonstration projects including battery electric and hydrogen fuel powered locomotives, as well as technology and operational practices that reduce idling.

ASLRRA offered several ways that Congress could support the U.S. freight rail network in further improving its already notable environmental record while remaining a driver of economic prosperity, including:

- Calling on EPA to deny CARB's request, preserving EPA as the regulator of locomotive emissions;
- Continuing to fund the CRISI program, which short lines have embraced to move more freight to rail and to upgrade to cleaner locomotives;
- Ensuring freight rail remains a key strength of the nation, supporting reasonable regulations focused on proven benefits, and avoiding excessive subsidization of trucking via increases to truck size and weights and massive general fund infusions into the Highway Trust Fund; and
- Supporting basic R&D activities at the Department of Energy and Department of Transportation to advance the economy-wide transition to battery, electric, hydrogen, renewable diesel, and other cleaner power over time in a realistic and affordable fashion.

ASLRRA's written submission is available [here](#).

About ASLRRA - The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association representing the interests of the nation's 603 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 50,000 miles of track in 49 states, or approximately one third of the national railroad network, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network.