



BUILDING AMERICA®

To: Oregon House Committee on Energy and Environment
From: Aaron Hunt – Union Pacific Director, Public Affairs
Re: Concerns about Oregon House Bill 2131
March 13, 2017

Good afternoon. My name is Aaron Hunt. I am here to testify on behalf of Union Pacific Railroad. I serve as director, public affairs for Union Pacific in Oregon.

With nearly 1,100 miles of track and an annual payroll of \$150.4 million, Union Pacific employs 1,600 in Oregon and is a key part of the state's infrastructure. We invested over \$1 billion in Oregon in the last ten years.

Today, 99.999 percent of all hazmat moved by rail reaches its destination without a release caused by an incident.¹ This safety record is among the many reasons the federal government requires railroads to transport hazmat. We recognize however that incidents do happen, and we must continue improving safety. As you know, we worked hand in hand with the Oregon Legislature to pass HB 3225 in 2015.

When we collaborated with you in 2015 to pass HB 3225, we enhanced Oregon's collective response capabilities for rail accidents. HB 3225 required the Oregon State Fire Marshal (OSFM) to adopt a plan for coordinated response to oil or hazardous material spills or releases that occur during rail transport.

HB 3225 also required annual reports be submitted to Legislative Assembly. The reports include: inventory of all emergency response resources available in the state; suggested changes to structure for continued coordination between state agencies and industry; possible revisions to response roles or responsibilities of state agencies, local governments and railroads; and strategies for ensuring adequate funding at state and local government levels to cover training, equipment and administrative costs associated with providing comprehensive response and equipment.

Equipment and training was also provided by Oregon's railroads through HB 3225. Eight regional support flatbed trailers, six from Union Pacific and two from BNSF Railway, were delivered to the state along with 40 scholarships for Oregon first responders to attend Crude Oil by Rail training at the rail industry's Transportation Technology Center. Additionally, the railroads committed to conducting four table top drills annually at sites selected by OSFM. This was all in addition to Union Pacific's ongoing work training Oregon's emergency responders. Union Pacific trained more than 2,300 Oregon emergency responders since 2010.

Union Pacific has shown that it wants to partner with the state to enhance rail safety. We continue these efforts this session as we work with stakeholders at OSFM, ODOT Rail, DEQ and with other railroads to develop a second rail safety legislation phase. It is our goal to find a solution that meets the state's needs, but we cannot support HB 2131 as written.

HB 2131 is invalid under the Federal Railroad Safety Act (FRSA), which preempts state safety laws where the federal government has regulations "covering the subject matter."

The bill is invalid under the Interstate Commerce Commission Termination Act of 1995, which broadly preempts state economic regulation of federal rail operators, or any preclearance requirements.

HB 2131 also violates the federal Railroad Revitalization and Regulatory Reform Act ("4-R Act"), which bars states from imposing any "tax that discriminates against a rail carrier." 49 U.S.C. § 11501(b)(4).

Again, we are committed to building upon 2015's HB 3225 and look forward to continuing our work with all stakeholders in the coming weeks.

¹ <https://www.aar.org/todays-railroads/safety?t=hazmattransportation>