



TO: The Honorable Members of the House Consumer Protection, Technology and Utilities Committee

FROM: Kevin Sunday, Director, Government Affairs

DATE: May 3, 2023

RE: Urging Delay of Consideration of HB 1028

On behalf of the Pennsylvania Chamber of Business and Industry, the largest, broad-based business advocacy organization in the Commonwealth, representing nearly 10,000 member companies of all sizes from across all commercial and industrial sectors, I write to respectfully encourage you to delay consideration of HB 1028, pending further discussion with stakeholders to address likely issues regarding federal pre-emption of rail safety, staffing and operational requirements.

The PA Chamber strongly supports a safe, efficient and modernized system of infrastructure, including with respect to rail freight, and shares the goal of this committee to move our economy forward while protecting consumers and workers. However, it is vital that significant legislation impacting a cornerstone of the state's economy – in this case, the movement of freight cargoes over rail – be fully vetted, with the concerns of stakeholders outlined and addressed, prior to passage. In this case, we are concerned that many of the provisions of this proposed legislation regarding operational, staffing, and safety requirements, as well as their enforcement, are pre-empted by the Federal Rail Safety Act and the Interstate Commerce Commission Termination Act. While state appellate courts have found past expansions of state-level rail safety regulation to be pre-empted under these statutes, left unresolved, the potential conflicts between HB 1028 and these federal statutes could result in disruptions to operations in the state for the movement of goods and products necessary to sustain the economy. In addition, several of the provisions of HB 1028 are also in conflict with last fall's agreement to avert a labor strike and should be negotiated as part of bargaining agreements between the carriers and labor.

As such, we respectfully request this committee pass over this bill and convene further hearings and stakeholder engagement on the issue.

For any questions, please contact Kevin Sunday, Director of Government Affairs, at ksunday@pachamber.org or 717 645-2071.