

June 4, 2025

TESTIMONY - HOUSE BILL 96

OHIO SENATE FINANCE COMMITTEE

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, thank you for the opportunity to present this testimony in support of preserving the Ohio Rail Development Commission's (ORDC) proposed funding in House Bill 96.

I am Charles Hunter, Assistant Vice President Government Affairs for Genesee & Wyoming Railroad Services, Inc., a short line railroad holding company operating four properties in Ohio. G&W operates eight railroads in the state of Ohio, with over 1,000 miles of track. These include the Indiana & Ohio Ry. (IORY), Chicago, Fort Wayne & Eastern RR (CFE), and Columbus & Ohio River RR (CUOH).

It has come to our attention that a draft of this bill has cut ORDC's rail freight grant funding allocation of \$6M by 50%, down to \$3M. Perhaps this has been done in error. In any case, we are requesting the funding be restored to the much needed \$6M amount.

As a result of this bill language, to be cautious, the ORDC has recently paused awarded rail freight projects and is unable to process any new project applications. The IORY has a project to increase the clearances needed to handle double-stacked containers on railcars for Ohio businesses that has been paused. We also have a new customer that has a project application ready to submit that they must now put on hold.

ORDC has not only used this important funding for state public-private partnership type grants, but they have also utilized some of the funding to match federal funding in Federal Railroad Administration (FRA) grants, successfully bringing in many times the state matching funds in federal grant dollars. Last year, the CUOH, in partnership with ORDC, was the recipient of an FRA grant to upgrade the mainline track out of Columbus to Newark. Past partnership FRA grant projects with ORDC have included restoring a freight rail yard in Delta, OH on the IORY to handle new steel business and increasing yard capacity and state of good repair on the CFE for OH businesses such as Procter & Gamble

in Lima. The ORDC is highly respected by the FRA and viewed as a good steward of federal grant project dollars.

Reducing ORDC funding will have a negative impact on both current and future rail freight projects for Ohio railroads and the businesses and jobs they support. We request that ORDC's funding be restored to \$6M in the budget. Should you have any questions, please contact me at your earliest convenience.

Respectfully yours,

Charles D. Hunter

AVP Government Affairs

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