



Ohio Senate
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Committees:
Energy and Public Utilities - *Chair*
Select Committee on Rail Safety - *Chair*
Transportation - *Vice Chair*
Finance
Workforce & Higher Education
Governor's Executive Workforce Board
Ohio Turnpike Commission

Bill Reineke
State Senator
26th District

Chair Kunze, Ranking Member Antonio, and members of the committee; thank you for the opportunity to present sponsor testimony on Senate Bill 250.

The Transportation Budget (HB23) last year included a mandate for wayside, or stationery, defect detectors to be installed every ten miles along all rail lines in Ohio, with a five-mile variance provided to all railroads to accommodate geography and other factors. Senate Bill 250 seeks to modify the wayside detector mandate contained in the Transportation Budget by recognizing the fundamental difference between the Large Class I railroads in the state and the much smaller Class II and Class III railroads.

Senate Bill 250 maintains the original intent of the law, to make sure that Ohio communities have a fully appropriate level of protection provided by wayside defect detectors, while sizing the requirement to better fit the characteristics of smaller railroads. To that end, the bill proposes:

- Class II and III railroads generally carry freight in much smaller trains, at much lower speeds, and for much shorter distances than Class I's.
- Smaller railroads do not have the same financial resources as Class I's and their resources are better spent on track improvements and maintenance. This spending would do more to avoid derailments than wayside detectors on these tracks.
- Changes in the bill would exempt from the mandate any railroad operating at 10mph or less. Wayside detectors are not recommended by the manufacturers of these devices on those tracks simply because they do not work at those speeds.
- Class II regional railroads would have a distance increase between detectors of 25 miles and Class III railroads would have a requirement every 35 miles.

In closing the Class II and Class III railroads appreciate the \$10 million grant program to help install these detectors. Unfortunately, with a cost of installation of around \$200,000 per device, not including ongoing monitoring and maintenance, this grant program will likely cover around 25% of the required detectors.

The final piece is this. Smaller railroads do not have the pricing power to be able to recover the costs of installation of these detectors. This mandate will likely lead to the closure or interruption



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of service of some smaller railroads. This in turn will lead some shippers to move their product by truck, further increasing both the shippers' costs and ultimately the costs of the end consumer. Doing everything possible to keep freight moving on railroads (the safest and most economical mode of transportation) and off our roads benefits everyone.

Thank you, Chair, and I welcome any questions at this time.