



April 15, 2019

The Honorable Jim Beall
 Chair, Senate Transportation Committee
 State Capitol, Room 2209
 Sacramento, CA 95814

RE: SB 498 (Hurtado): Trade Corridors Improvement Fund: grant program: short-line railroads.

Dear Chairman Beall,

The following California organizations and businesses wish to commend you for your continued pursuit for policy solutions that invest in California's transportation infrastructure and economy.

We write to you in strong support of the Short-Line Infrastructure Improvement Act of 2019 – SB 498. This innovative grant program will help short lines drive investments based on market demand, community needs and, most importantly, will help keep California farmers, agri-businesses, manufacturers, and retailers competitive in the national and global markets. The grant program will also promote efficient and cost-effective transportation for short line customers that support California workers and their families.

As you know, California's short lines handle approximately one-tenth of the state's carload freight tonnage and are a critical link between many of the state's freight-intensive industries, ports, and principal trade corridors. According to the 2018 California State Rail Plan (CSRP), inbound and outbound freight traffic are expected to increase by approximately 70 million tons by 2040 - that is on top of the near 100 million tons of total freight traffic that moves through California today.

SB 498 provides the needed catalyst to afford the short line rail industry opportunities to invest in critical infrastructure for projects that truly help rural economies, rail customers and their connections with the Class I network. These improvements not only make the short line rail system modern and efficient but also provide reductions in emissions, traffic congestion and trade corridor bottlenecks.

We support California's short line railroads, shippers, and business and urge you to pass SB 498 – the Short Line Railroad Infrastructure Act of 2019.

Sincerely,



Donald G. Norton
Executive Director

California Short Line Railroad Association

Brad Ovitt
Arizona & California Railroad

Al Cardona
BMW Group

Brad Ovitt
California Northern Railroad

Brad Ovitt
Central Oregon & Pacific Railroad

Tracy Alves
Modesto & Empire Traction Co.

Tony Giaccio
Napa Valley Wine Train

Kimia Khatami
Pacific Harbor Line

Laura McNichol
Pacific Sun Railroad

Barbara O'Neill
Richmond Pacific Railroad

Joe Gallegos
Sacramento Valley Railroad

Brad Ovitt
San Diego & Imperial Valley Railroad

Nick Kendall
San Francisco Bay Railroad

Brad Ovitt
San Joaquin Valley Railroad

Kennan Beard
Sierra Northern Railway

Alan Thiem
Stockton Terminal & Eastern Railroad

Arzell Hale
Trona Railway

Brad Ovitt
Ventura County Railroad