



Oregon Eastern Railroad - 164 Washington St E - Vale, Oregon 97918

Joint Committee on Transportation
Oregon Legislature
Co-Chair Senator Chris Gorsek
Co-Chair Representative Susan McLain

Testimony in Support of SW 16 Amendment -1

On behalf of the Oregon Eastern Railroad, I am writing in support of Senator Gorsek's proposed amendment to Senate Bill 16. This amendment clarifies uses of the existing Rail Rehabilitation Fund which includes adding specific types of rail projects geared towards capacity improvements, safety improvements, and reduction of greenhouse gas emissions. In addition, this amendment will allow for state funds to be used as matching dollars to help leverage discretionary grant funding for federal programs.

The dynamic nature of America's supply chain requires flexibility in the overall transportation network, and for the ability for short line railroads like the Oregon Eastern Railroad to add capacity when needed to handle fluctuations of rail traffic and capture economic development opportunities. Funding for rail sidings and spurs generates increased economic growth around the railroad by providing opportunities for rail customers to expand or create capacity at their facilities. These types of infrastructure projects can also create rail to truck transload locations which minimize the overall length of a truck move and help reduce greenhouse gas emissions.

The Senator Gorsek amendment to SB 16 also provides direction for the Oregon Department of Transportation to use funding to leverage federal dollars in competitive grant programs to the overall benefit of Oregon's transportation system. President Biden's Infrastructure Investment and Jobs Act of 2021 significantly increased the amount of money available through competitive grant programs like USDOT's Consolidated Rail Infrastructure and Safety Improvement Program (CRISI). CRISI and other transportation focused programs are used by the rail industry, rail customers, and ports to help fund major projects. It is our experience that having multiple sources of matching funds increases the chances of being successful in hyper competitive programs like CRISI. Formally establishing a mechanism to use state funds as a match coupled with private investment will direct more of this funding to the State of Oregon's transportation network.

Thank you for your favorable consideration of this amendment.

Respectfully Submitted,
Bruce Carswell