

January 14, 2025

President-Elect Donald J. Trump Trump Vance 2025 Transition, Inc. 47 Transition

ATTN: Andrew Kloster, Volunteer, Trump Vance 2025 Transition, Inc. VIA Email

Dear President-Elect Trump,

Congratulations on being certified by the U.S. Congress as the 47th President of the United States.

The National Industrial Transportation League (NITL) – who has been the voice of the shipper since 1907, and whose members in 2023 generated roughly \$878 billion in gross revenues while spending billions of dollars on shipping freight annually – respectfully requests that you designate Patrick J. Fuchs (R) of Wisconsin, the longest-serving Member of the current Surface Transportation Board (STB or Board), as its Chair, and requests that this designation be done as expeditiously as possible.

Freight rail is vital to our nation's economy. Farmers rely on rail to receive both fertilizer to grow their crops and feed for their livestock and to deliver their crops to market. Energy suppliers rely on rail to receive the fuel they require to serve their customers. Manufacturers, processors, and distributors rely on rail both to receive feedstock materials and to deliver finished products and consumer goods. Freight rail is essential for growing our national economy, increasing employment, expanding domestic manufacturing, maintaining global competitiveness, supporting exports, enhancing national defense, and preserving global security.

Member Fuchs, by serving as Chair, will be able to utilize his six years of experience on the Board and with his numerous contributions at the Senate Commerce, Science and Transportation (Commerce) Committee to apply his leadership and expertise to help your Administration realize its key goals, notably:

## Figure 1: Growing the nation's economy.

A strong freight rail system is vital to the nation's economy. Unfortunately, freight rail volume has decreased in recent years due to various factors and customer satisfaction has declined significantly. Notably, only four Class I railroads control 90% of our nation's freight rail traffic and no more than two railroads generally operate in any given area. This has led to little or no competition among railroads, a lack of communication with and consideration of their shipper customers resulting in poor, inconsistent rail service.

Moving forward, the Board's efforts is vital on two fronts. First, as the economy rebounds under the Trump Administration, the railroad industry will need effective and targeted Board oversight to providing guardrails to ensure that they are adequately supporting their customers. Especially with Member Fuchs as Chair, the Board will be able to carefully balance the need for government to foster economic growth, rather than suppressing it. Second, such growth will benefit all stakeholders through increased revenues and profits for railroads, increased volumes for shippers, associated increases in employment and economic production, and resulting decreases in greenhouse gas emissions and highway congestion. These benefits can best be achieved by having the Board enhance competition within the railroad industry under the continued leadership of Member Fuchs serving as Chair.

## Instilling efficiency into government.

Thanks in large part to the *STB Reauthorization Act of 2015*, the Board has made significant strides in improving its processes, working more efficiently, and providing greater transparency that has helped the agency address continued supply chain challenges – particularly freight rail service problems.

Since joining the Board in January 2019, following his contributions as Professional Staff to the Surface Transportation, Maritime, Freight, and Ports Subcommittee of the Senate Commerce Committee, Member Fuchs has been instrumental in the Board's role in providing oversight over the railroad industry, helping it to meet its statutory obligations and fulfilling its critical role within our nation's overall supply chain. By serving as Chair, Member Fuchs will be able to apply his expertise and experience to raise the industry's level of service for your upcoming Administration.

## > Transforming government to work for all stakeholders.

The lack of competition within the railroad industry, combined with its inability to meet customer needs on a consistent and reliable basis, imposes burdens and risks on shippers, their customers, employment, and ultimately the general public. The Board's efforts to address these problems goes back decades. While the Board has made progress in some of these proceedings, much work remains, including resolution of major rulemakings involving First-Mile Last-Mile Service, Revenue Adequacy Considerations, Rate Reasonableness Standards, Expediting Rate Cases (for larger shippers), and Commodity Exemptions.

Member Fuchs' commitment for the STB to develop and rely upon meaningful and verifiable data helps the Board to achieve workable and evidence-based solutions that benefit all stakeholders. With Member Fuchs exercising his expertise and experience as Chair, the Board promises to not just address, but solve these types of challenges, thus, improving the condition of the freight railroad industry and supporting the U.S. manufacturers and businesses who rely on them.

Member Fuchs has demonstrated that he is thoughtful, accessible, fair, willing to listen to diverse viewpoints, data-driven, and objective, with all of the qualities that make him an appropriate Republican to be designated and serve as an outstanding Chair of the STB.

Thank you for your continued leadership on and commitment to our nation's supply chain challenges, including freight rail shipping. NITL hopes that you will appoint Member Fuchs as Chair to provide the agency with the leadership it needs at this most critical time.

Sincerely,

E. Nancy O'Liddy Executive Director

E. Dancy O'kddy

cc: The Honorable Linda McMahon, Co-Chair, Trump Vance 2025 Transition, Inc. Mr. Howard Lutnick, Co-Chair, Trump Vance 2025 Transition, Inc.