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Representative Dan Ruby, Chair House Transportation Committee Members

Mr. Chair and House Transportation Committee Members:

Red River Valley & Western Railroad Company (RRVW) is submitting this letter to express opposition for HB 1407.

RRVW is a short line railroad headquartered in Wahpeton, ND that owns and operates 429 miles of mainline track throughout the state. RRVW is proud to provide safe and reliable freight rail transportation service and supply chain solutions to over 70 customers in the state in more than 50 different communities across our operating network in North Dakota.

Supporting the agriculture industry and moving agriculture products is in RRVW's DNA, and we are proud to be the partner railroad for the customers and communities that we support. We have demonstrated the ability to provide cost effective movements over very short lengths of haul on our privately maintained and privately funded freight rail network which keeps truck traffic off the publicly maintained and publicly funded state highway and county road network.

RRVW is concerned that HB 1407 will increase traffic density and maintenance needs on the North Dakota road, highway, and bridge infrastructure. In October of 2024, the Upper Great Plains Transportation Institute (UGPTI) published a report for the North Dakota Legislative Assembly titled "Infrastructure Needs: North Dakota's County, Township, and Tribal Roades and Bridges: 2024-2043". This report updated a prior study that was conducted by the UGPTI in 2022 and is intended to estimate the funding needs to maintain the existing road system in North Dakota over the next 20 years. The October 2024 report determines that North Dakota's funding needs have increased 17.56% from the 2022 study. Specifically, the funding needs for paved roads increased 6.21% and the funding needs for bridges increased 51.93%.

HB 1407 does not appear to have any cost or fee associated with increasing the truck weights in the state. RRVW is concerned that the aforementioned funding needs will only continue to increase with the introduction of heavier trucks on the states' road network with no mechanism in place for the heavier trucks to pay their fair share of the damage they will do to the roads, highways, and bridges on which they will operate over in North Dakota.

Additionally, HB 1407 could create long-term risk to the safety, sustainability, and viability of the RRVW short line railroad network. Specifically, RRVW is concerned that heavier trucks will shift freight from the privately maintained freight rail network and onto the publicly maintained road and highway system. If higher allowable truck weights are permitted throughout the state, it is the short line railroad companies that will be impacted the most. Many of our carload shipments are shorter distances and move within North Dakota's borders. In fact, RRVW's average length of haul on these types of movements is less than 40 miles and represents approximately 15% of our business, which could be transitioned from the railroad and into heavier trucks as proposed in this legislation.

As a result, the economic impact will be concentrated on smaller railroad companies, like RRVW, and could have long-term, detrimental effects on the future of rail access in rural North Dakota. RRVW believes that a potential unintended consequence of this legislation will shift freight transportation from the privately maintained short line railroad network to the publicly maintained state and county road network and reduce the long-term effectiveness of short line railroads in North Dakota.

I greatly appreciate your consideration for our concerns related to HB 1407.

Respectfully,

Victor Meyers