



April 30, 2025

The Honorable Sam Graves
Chairman
Committee on Transportation & Infrastructure
2165 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Rick Larsen
Ranking Member
Committee on Transportation & Infrastructure
2164 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Graves and Ranking Member Larsen:

The American Chemistry Council appreciates the opportunity to submit our priorities for the surface transportation reauthorization to the Transportation and Infrastructure Committee.

Chemistry is the backbone of national defense, energy independence, modern healthcare, technology, innovation, and a resilient supply chain. U.S. chemical producers are the driving force behind the products that businesses and families depend on every day. The business of chemistry is a \$639 billion enterprise that supports over 25% of the U.S. gross domestic product. Producing and moving more chemistry here at home is key to bolstering our trade surplus, growing the economy, and enhancing U.S. competitiveness in global markets.

The chemical industry is one of the country's largest shippers across all modes of transportation and a safe, reliable, and affordable transportation network is essential to U.S. manufacturing. In 2023, one billion tons of chemical products were transported to support just about every sector of the economy. We are one of the largest freight rail customers, shipping 2.1 million carloads and 181 million tons of products. We also shipped 588 million tons of products by truck.

We would like to work with you on the development of this bill, including provisions that address the following specific issues:

Prevent unreasonable rail hazmat liability requirements -- Chemicals are essential and their safe transport by rail is a shared responsibility covered by comprehensive federal safety regulations. The current U.S. rail liability framework effectively addresses potential hazmat incidents. However, railroads are increasingly shifting liability onto rail shippers. Such changes to longstanding liability principles undermine transportation safety and threaten the viability of shipping critical materials by rail. We support ensuring that liability for railroad accidents is not disproportionately shifted to hazmat shippers.

Define railroad "common carrier obligation" to include service quality -- Freight rail customers have been disadvantaged due to overly complex, burdensome and unworkable Surface Transportation Board (STB) policies and procedures. The "common carrier obligation" is a requirement from the 1980 Staggers Act that requires rail carriers to serve the wider shipping public "on reasonable request" but it remains poorly defined. Clear definition of this principle to address the level and quality of service provided would improve the efficiency of the STB's oversight of the freight rail system and supply chain challenges.





Rate Arbitration Authority -- It is difficult to challenge rail shipping rates because of the complexity of the current procedure at the STB. Giving them rate arbitration authority would provide a meaningful way to challenge rates for small cases. The STB established and adopted a streamlined process for resolving rate disputes between shippers and railroads, known as the Final Offer Rate Review (FORR), to improve shippers' access to rate reasonableness reviews for smaller rate disputes. This was overturned by the courts on the basis of the STB overstepping its authority. We support Congress explicitly giving this authority to them.

Support Emergency Responders. ACC supports additional funding for PHMSA's Hazardous Materials Grants Program. The grant program supports emergency response planning and training 6 activities and is funded by hazardous material registration fees paid by both shippers and transportation carriers. PHMSA's current fee structure currently raises approximately \$23.6 million annually, well below the amount currently authorized.

We support replacing the current \$3,000 statutory limit on registration fees with a two-tiered limit of \$500 for small businesses and \$5,000 for large businesses. This approach would provide flexibility to nearly double the funding of emergency response training programs while preventing a disproportionate impact on small businesses.

Modernizing truck weight policies. We support a common-sense proposal that would modestly increase Gross Vehicle Weight (GVW) limits on the Federal Interstate system. We encourage Congress to enact a GVW Limit Pilot Program that would create a safety data collection program for 6-axle vehicles through a multi-year pilot program for states to increase truck weights on federal interstate highways up to 91,000 lbs. on six axles. Further, we support legislatively establishing a 10 percent axle weight variance for dry bulk.

Addressing transportation challenges in the upcoming surface transportation reauthorization bill is crucial to strengthening our country's supply chain. We are committed to working with you on these issues to enhance our country's transportation system, which will help make America a manufacturing superpower.

Sincerely,

The American Chemistry Council

