To help illustrate the needs in the state's freight rail network, the 2009 NYS Rail Plan issued by NYSDOT outlined the needed system investments by category totaling approximately \$390 million per year over a five-year period (approximately \$2 billion total), and over \$5 billion over a 20-year period as follows:

FREIGHT RAIL NEED CATEGORY	5-YEAR NEEDS	20-YEAR NEEDS
Maintain Existing Conditions	\$242,000,000	\$911,000,000
Develop State-of-Good Repair	\$597,000,000	\$1,235,000,000
System Enhancement	\$545,000,000	\$1,658,000,000
System Expansion/Economic	\$580,000,000	\$1,357,000,000
Development		
TOTAL	\$1,964,000,000	\$5,161,000,000

As previously stated, RONY supports building on the recent success of the state's freight rail infrastructure capital funding program and requests that NYS continue to enhance the program, bringing it to a \$50 million annual level, the same level it was during the 2005-10 NYSDOT Bond Act period. This funding is key as rail freight volumes are expected to significantly increase over the next few decades, placing even more strain on the state's freight rail network. According to a 2015 report issued by the U.S. Department of Transportation, rail freight demand is expected to increase by 49% by 2040.

Further expanding this program will not only benefit our state's freight rail companies that require this funding to make essential rail network improvements, it will also provide distinct benefits to the many industrial, commercial and agricultural businesses across the state that rely on the NYS freight rail network to ship and receive goods. Access to a safe, dependable rail network will not only help these customers move goods in a cost-effective manner, it will also help their bottom line and place them in a better position to expand operations and create jobs. This is particularly true for businesses that need to ship and receive goods over long distances.

RONY and its members look forward to continuing to partner with NYS and its many commercial, industrial and agricultural businesses to help grow the state's economy and create jobs all across the state in the safest, most environmentally-friendly way possible.

RONY 2019 Executive Committee

Donald Hutton, President (New York New Jersey Rail LLC) Charles Hunter, Vice President (Genesee & Wyoming Railroad) David Monte Verde, Secretary (GVT Rail System) Jane Franz, Treasurer (Buffalo Southern Railroad) Maurice O'Connell, Member-at-Large (CSX Transportation) Arielle Giordano, Member-at-Large (Canadian Pacific Railroad) Michael Fesen, Member-at-Large (Norfolk Southern Railway)

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Railroads of New York, Inc.

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2019 LEGISLATIVE OVERVIEW

Railroads of New York, Inc. (RONY) represents four Class I Railroads (CSX, Canadian National, Canadian Pacific and Norfolk Southern) and 37 Short Line and Regional Railroads that directly employ over 3,500 individuals in NYS. RONY's member railroads provide access to the nation's 140,000-mile freight rail network, enabling many of New York's industrial, commercial and agricultural businesses to reach markets across the country and throughout the world via all U.S. ports and to realize a substantial competitive advantage over other businesses that lack access to the rail network. In addition to providing considerable economic benefits to the New York-based customers our railroad members service, freight rail is also the most environmentally-friendly way to move goods and products by land, as moving goods by freight rail reduces highway gridlock, lowers greenhouse gas emissions and reduces emissions of particulate matter and nitrogen oxides. In addition, freight rail is also the safest way to move freight by land, including transporting hazardous materials that are required by Federal law to be shipped by rail because of the safety benefits freight rail provides over other land-based modes of transportation.

Included in the Governor's 2019-20 Executive Budget proposal is \$17.5 million for freight rail infrastructure projects and a separate \$10 million allocation for a mix of freight rail, passenger rail and port-related projects. Many of New York's freight rail companies rely on these funds to maintain the state's rail network in a state-of-good-repair and to remain economically viable in an increasingly competitive freight-based economy. As shown in the chart below, this vital funding source was eliminated in years 2010-12 when all rail funding was allocated towards high-speed rail initiatives.

NYS FISCAL YEAR	COMBINED RAIL & PORT ALLOCATIONS	
2005-06	\$50,000,000	
2006-07	\$50,000,000	
2007-08	\$50,000,000	
2008-09	\$50,000,000	
2009-10	\$50,000,000	
2010-11	\$0	
2011-12	\$0	
2012-13	\$0	
2013-14	\$20,000,000	
2014-15	\$20,000,000	
2015-16	\$27,500,000	
2016-17	\$27,500,000	
2017-18	\$27,500,000	
2018-19	\$27,500,000	

As illustrated above, funding for this program has remained flat for the past four fiscal years. Going forward, RONY supports building on the recent success of this funding program and requests that NYS continue to enhance the program, bringing it to a \$50 million annual level, the same level it was during the 2005-10 NYSDOT Bond Act period.

Member Railroads Adirondack Scenic RR Batten Kill Railroad, Inc. Buffalo & Pittsburgh Railroad, Inc. Buffalo Southern Railroad, Inc. CSX Transportation, Inc. Canadian National Railway Co. Central New York Railroad, Inc Clarendon & Pittsford Railroad Co. Consolidated Rail Corporation Denew Lancaster & Western Railroad Company Falls Road Railroad Co. Inc Finger Lakes Railway Corp Genesee & Mohawk Valley RR Co Genesee & Wyoming Railroad Livonia, Avon & Lakeville Railroad Lowville & Beaver River RR Co. Massena Terminal RR Middletown & New Jersey Railroad LLC Mohawk, Adirondack & Northern RR New York & Atlantic Railway Co. New York & Lake Erie Railroad New York New Jersey Rail, LLC New York & Ogdensburg Railway Co. NY Susquehanna & Western Railway Norfolk Southern Railway Co. Ontario Central Railroad Corp. Ontario Midland Railroad Corp. Owego & Harford Railway Providence & Worcester Railroad Rochester & Southern Railroad SMS Rail Lines of New York Somerset Railroad / AES South Buffalo Railway Co. Syracuse, Binghamton & NY RR Wellsboro & Corning Railroad Western New York & Pennsylvania RR Associate Members American Rail Engineers Corp. Bergmann Associates Bowers & Company CPA's, PLLC Brookhaven Rail, LLC C & S Engineering, Inc. Creighton Manning Engineering, LLP Delta Railroad Construction Inc. Frank Tartaglia, Inc. Frontier Railroad Services LLC HDR Engineering, Inc.

Arcade & Attica RR B & H Rail Corp.

Canadian Pacific

D & H Railway

Heorot Power LLC

Itaca Central RR

PanAm Southern

CHA LLP

Erdman Anthony Erie County IDA

HNTB Corporation H.W. Lochner, Inc.

Southern Tier Extension Railroad Authority Tectonic Eng. & Surveying Consultants

JMT of New York, Inc. McCarthy Rail Insurance Managers RailWorks Track Services. Inc. RailPro Industries Inc. Soiitz Corporation of America

> Tracks Unlimited LLC Unitrac Railroad Materials W.J. Riegel Rail Solutions **Contributing Members**

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