

Department of Legislative Services  
Maryland General Assembly  
2019 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 252  
Finance

(Senator Hayes)

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**Railroad Company - Movement of Freight - Required Crew**

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This bill prohibits, with specified exceptions, a train or light engine used in connection with the movement of railroad freight that shares the same rail corridor as a high-speed passenger or commuter train from operating in the State unless it has a crew of at least two individuals. The bill establishes criminal penalties for willful violations of that prohibition. The bill terminates if a federal rule requires two-person crews.

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**Fiscal Summary**

**State Effect:** The Department of Labor, Licensing, and Regulation (DLLR) can handle the bill's requirements with existing resources. The bill's penalty provisions are not anticipated to materially affect general fund revenues.

**Local Effect:** The bill does not materially affect local government finances or operations.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The bill does not apply to a train or light engine used in connection with the movement of railroad freight involving hostler service or utility employees in yard service.

A person who willfully violates the bill's prohibition is guilty of a misdemeanor and subject to a fine of \$500 for a first offense and a fine of \$1,000, per offense, for a second offense or a subsequent offense committed within three years of the second offense.

A county or municipality may not enact and enforce more stringent measures regarding crew requirements than those in the bill.

If the Federal Railroad Administration (FRA) issues a rule requiring two-person train crews on crude oil trains and establishing minimum crew size standards for most main line freight and passenger rail operations, within five days after the issuance of the rule, the Commissioner of Labor and Industry within DLLR must notify the Department of Legislative Services (DLS). On the date DLS receives the notification, the bill terminates.

### **Current Law/Background:**

#### *Federal and State Regulation of Railroad Laws*

In general, state regulatory authority over railroads is preempted by federal regulatory authority, because most remaining railroads in the United States are inherently a form of interstate transportation. Federal law requires that laws, regulations, and orders related to railroad safety or security must be nationally uniform to the extent practicable. However, a state may adopt or continue in force a law, regulation, or order related to railroad safety or security until the U.S. Secretary of Transportation (with respect to railroad safety matters), or the U.S. Secretary of Homeland Security (with respect to railroad security matters), prescribes a regulation or issues an order covering the subject matter of the state requirement.

A state may adopt or continue in force an additional or more stringent law, regulation, or order related to railroad safety or security when the law, regulation, or order (1) is necessary to eliminate or reduce an essentially local safety or security hazard; (2) is not incompatible with a law, regulation, or order of the federal government; and (3) does not unreasonably burden interstate commerce.

#### *Regulations Requiring Two-man Crews Withdrawn*

In March 2016, FRA proposed regulations establishing minimum requirements for the size of train crew staffs, depending on the type of operation. A minimum requirement of two crew members was proposed for all railroad operations, with exceptions for those operations that FRA believed did not pose significant safety risks to railroad employees, the general public, and the environment by using smaller crews than two individuals. However, the regulations were withdrawn in January 2017 and no new regulations have been proposed.

### *Veto of Prior Introduction*

House Bill 180 of 2018, a substantively similar bill, was vetoed by the Governor for policy reasons. In his [veto letter](#), the Governor expressed concerns that the bill would have placed the Port of Baltimore at a competitive disadvantage relative to other ports in the mid-Atlantic region by increasing shipping costs.

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### **Additional Information**

**Prior Introductions:** HB 180 of 2018, a similar bill, was passed by the General Assembly, but vetoed by the Governor for policy reasons. HB 381 of 2017, a similar bill, passed the House and passed second reading in the Senate; however, no further action was taken.

**Cross File:** HB 66 (Delegate Stein) - Environment and Transportation.

**Information Source(s):** Department of Labor, Licensing, and Regulation; Public Service Commission; Anne Arundel, Charles, and Montgomery counties; City of Havre de Grace; U.S. Department of Transportation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 3, 2019  
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