



901 W Legacy Center Way
Midvale, UT 84047
801-944-6600

www.savageservices.com

February 11, 2020

Dear Chairman Christofferson and Members of the House Transportation Committee,

I'm addressing you on behalf of Savage to express our concerns with HB72. Savage is a family-owned business established in American Fork, Utah in 1946. Today, the Company is headquartered in Midvale, Utah, with more than 4,000 Team Members in over 200 locations across the United States and internationally. We are a global provider of transportation, logistics, materials handling, and other industrial services, safely moving and managing critical materials for Customers by rail, truck, and marine vessel. We also design, build, own, and operate terminals and other industrial facilities and equipment. We work closely with the Class I railroads and operate a short line railroad in Utah, the Savage Bingham & Garfield Railroad.

At all of our operations, we're committed to ensuring the safety of our Team Members, our Customers, and the communities where we work and live. Savage was named one of *America's Safest Companies* in 2011 by *EHS Today Magazine* and has been recognized for our commitment to safety by the Utah Safety Council, numerous Customers, and other safety organizations. Additionally, Savage was the business recipient of the *2019 Utah Ethical Leadership Award* sponsored by the Daniels Fund Ethics Initiative at the David Eccles School of Business, the Community Foundation of Utah, Utah Business Magazine, and the Center for Public Policy and Administration at the University of Utah.

While it doesn't appear that HB72 would have a significant impact on our rail operations in Utah, we believe this bill is unnecessary given existing Federal Railroad Administration (FRA) regulations [49 CFR 213.31 - 213.37] and standard industry practices and training protocols to protect the safety of railroad and industrial employees and the public. Much of the language in the bill mirrors existing regulations and standard practice, but some of the added language is vague and open to interpretation. While the cost impacts of the bill to railroads and industry have not been quantified, they would likely be significant and limit the flexibility of companies to focus on overall best practices as more dollars go toward compliance. As a general matter, we believe it is bad policy to turn safety practices into law just because they are already being practiced by an industry. Safety practices evolve over time, and responsible industries are in a better position to update and create new best practices and should be free to do so.

Most of the requirements in HB72 are already common practice in the rail yards, terminals, and other locations where Savage operates. However, applying those same standards along nearly all track used by railroads would be extremely costly and provide questionable benefit.

In summary, HB72 is unnecessary, would create confusion in complying with existing federal regulations, and could interfere with ongoing improvements in safety. For these reasons, we oppose passage of the bill. We believe the necessary safeguards are already in place to ensure continued safety for our Team Members, other railroad or industrial employees, and the public.

Sincerely,



Armando Tirado
Vice President and Unit Leader