

the adverse impacts of a proposed merger of Conrail with either the CSX or Norfolk Southern railroad systems.

WHEREAS, Maryland enjoys the benefits of railroad competition provided by several major Class I railroads, principally CSX and Conrail; and

WHEREAS, Railroad competition is in the public interest because it can promote better service, more efficient operations, and lower rail rates; and

WHEREAS, It is critical that the State of Maryland continues to enjoy the benefits of competitive rail access so as to sustain and improve the economy of the State; and

WHEREAS, CSX and Conrail have proposed a merger of their railroad systems that, if effectuated, would leave most of Maryland, including the Port of Baltimore and the entire Baltimore and Washington metropolitan areas, with only one Class I railroad and thus have a significant adverse impact on the State through the reduction of competition; and

WHEREAS, The adverse impact of reduced competition can be avoided if viable rail access by at least two competitive Class I railroads is retained in Maryland; and

WHEREAS, The federal Surface Transportation Board has exclusive authority to review and approve or disapprove the merger of rail carriers; and

WHEREAS, The federal Surface Transportation Board may include in its approval of a merger the imposition of conditions related to the sale of tracks or the granting of rights to use tracks to ensure competition among rail carriers to relieve the anticompetitive effects of the proposed merger; and

WHEREAS, Smaller shortline and regional railroads, including the Maryland Midland Railway, the Canton Railroad, the Patapsco and Back River Railroad, the Maryland Delaware Railroad, the Walkersville Southern Railroad, the Winchester and Western Railroad, and the Eastern Shore Railroad provide important service and economic benefits to rail customers in the State, and may be affected by the proposed railroad merger; and

WHEREAS, The Maryland Midland Railway has proposed that, as a part of the merger, it be allowed to expand its operation within Maryland; and

WHEREAS, Railroads will have to make physical improvements to their systems to realize the purported transportation benefits of the proposed railroad merger; and

WHEREAS, The merger of railroads may cause reductions in railroad and related employment; and

WHEREAS, The merger of railroads could affect MARC Commuter Rail services; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That it is of utmost importance that there be *at least* two Class I carriers providing competitive service to the Port of Baltimore, the Baltimore and Washington metropolitan areas and other parts of the State of Maryland subsequent to any merger of Conrail with another Class I railroad; and be it further