

**Statement of Patrick J. Fuchs**  
**Nominee to be a Member of the Surface Transportation Board**  
**Before the**  
**U.S. Senate Committee on Commerce, Science, and Transportation**  
**April 11, 2018**

Chairman Thune, Ranking Member Nelson, and distinguished Members of the Committee, thank you for inviting me to appear before you today as a nominee to serve on the Surface Transportation Board. It is a tremendous honor to be nominated to this position.

I am grateful to you, Chairman Thune, for providing me with the greatest privilege of my professional life—the opportunity to serve as a staff member for this Committee. I have been exceedingly fortunate to work on rail issues for a Senator who is a former state railroad director. I deeply admire your service and accomplishments on behalf of the State of South Dakota and the country.

If confirmed, I would take with me the lessons I have learned from the principled leadership of this Committee, including an immense appreciation for the importance of cooperation, openness, and dedication in government service.

I am joined here today by my brilliant and creative wife, Katherine, and my tireless and selfless parents, Joseph and Jeanne. Thank you for your unwavering love and support. Thank you to my four wonderful siblings for helping shape who I am, and thank you to my in-laws and friends for all the support. I am grateful to my incredible teammates on the Committee—your professionalism, intelligence, and friendship have been some of the best parts of my job.

Today, I will highlight values that, if confirmed, I would strive to bring to my position on the Surface Transportation Board.

First, I respect the statutory directives and authorities provided by Congress. As a staff member for this Committee, covering rail, hazardous materials, and maritime transportation, I have spent significant time with the challenging transportation issues facing the nation and the statutory frameworks that address those issues.

Under the Chairman's direction, I had the privilege to work on the *Surface Transportation Board Reauthorization Act of 2015* (P.L. 114-110). Introduced by Chairman Thune and co-sponsored by Ranking Member Nelson, this bipartisan legislation was the first reauthorization of the Board since its creation in 1996. It sought to improve the Board's dispute resolution processes, provide tools for proactive problem-solving, and reform the Board's structure. The Board has made great progress with implementation, and I am committed to faithfully executing the law and fulfilling its objectives.

During my time with the Committee, I also had the opportunity to work on the first passenger rail reauthorization in over seven years, led by Senators Wicker and Booker. This bipartisan

legislation included provisions important to the Board's passenger rail oversight functions. If confirmed, I would bring this first-hand experience and perspective to my position on the Board.

Second, I recognize the importance of objective, data-driven analysis in formulating regulatory policy. During my time with this Committee and my previous employment with the Office of Management and Budget, I have evaluated the design and evidentiary underpinnings of rail and other transportation rules, analyzed the effects of those rules, and sought and weighed alternative approaches to improve outcomes. If confirmed, I am committed to continuing to ensure that my decisions are supported by sound and objective analysis.

Third, I believe both in the importance of the Board's responsibilities and in the power of market forces to achieve efficiencies and drive innovation and investment. Our nation's freight rail system moves goods essential to Americans' well-being, and it is predominately private freight railroads that invest in, maintain, and operate the 140,000-mile rail network so integral to our economy. Few deny the transformational effects of partial economic deregulation in 1980, with gains in productivity and safety in the years that followed.

At the same time, codified in our nation's rail transportation policy are important consumer protections, including to maintain reasonable rates where there is an absence of effective competition and to avoid undue concentrations of market power. The statutory framework governing the Board therefore underscores both a need for regulation and a need for that regulation to be reasonable. If confirmed, I would be proud to advance the Board's mission and bring to my position an understanding of the value of markets.

This is an exciting time for the Board. The Board has a robust workload before it, strong leadership, and talented and dedicated staff, and—if confirmed—it would be an honor work with them and this Committee to help ensure an efficient and competitive rail system.

Thank you for your consideration. I look forward to answering your questions.