

**Debra Miller**  
**Nominee for Commissioner**  
**U.S. Surface Transportation Board**

Thank you, Chairman Rockefeller, Ranking Member Thune, and Members of the Committee for the opportunity to appear before you today. I am honored to be here as the President's nominee for Commissioner of the Surface Transportation Board.

Before I begin my remarks, I would like to take a moment to introduce some of my family members and friends who are here with me today: my husband, Jim McLean, my good friends, David and Lynn Barclay, and Bob Day. I thank them for their support and encouragement and for their presence.

If confirmed, I look forward to working closely with the Members of this Committee to ensure that the STB's policies and regulatory initiatives promote the development of a vibrant, 21st Century railroad network that will grow the nation's economy, create jobs, and enhance our ability to compete in the world economy.

I bring to this nomination over 30 years of private and public-sector experience in the transportation industry including serving as a Director of Planning and as the chief executive of the Kansas Department of Transportation. My experiences have provided me with a broad perspective and a depth of knowledge of the transportation industry and have informed my approach to governing. Through that experience, I have gained an understanding of the importance and the need for pragmatic, effective and responsive regulation of the nation's rail transportation system.

As a point of reference, Kansas ranks sixth, nationally, in terms of total route miles, rail tons carried and rail carloads. We have approximately 4,700 miles of railroad track, and the state is served by four Class I railroads – primarily Union Pacific Railroad and BNSF Railway and to a lesser degree, Kansas City Southern, and Norfolk Southern. We have approximately 14 Class III shortline railroads, which originate and terminate freight in connection with long-haul service. Kansas shippers mostly move agricultural products, outbound, and a variety of commodities, including coal, inbound.

Indeed, rail issues were a significant part of my early public sector career. In 1980 I was working for Governor John Carlin when the Chicago, Rock Island and Pacific Railroad filed for bankruptcy. The state faced the imminent loss of approximately 1,080 miles of track providing Kansas communities and rail shippers with a significant economic shock. The state quickly went into action, looking for ways to

salvage as much rail service as possible. The Governor formed a railroad working group and assigned me to serve as his representative on the group. I learned a great deal through this experience about crisis management and saw firsthand how much rail transportation matters to communities and shippers. The experience taught me the value of healthy railroads, the need for shipper access to the rail network, and the challenge of being a captive shipper.

In 2003, I had the privilege of being asked to serve as Kansas' Secretary of Transportation and did so for nine years. During my tenure, I worked for both Republican and Democratic governors and worked effectively with our state legislature. Managing the vast transportation sector is challenging enough without allowing partisan politics to complicate it further. As secretary, my primary objective was to make sure that our state's transportation system was meeting the needs of our citizens, facilitating economic growth, fostering innovation, promoting safety across all modes and making Kansas a better place to live and work and I was happy to work with anyone who could help accomplish these objectives. These objectives aren't unique to Democrats or Republicans. They are shared by both parties and, if confirmed, I will work with the members of this Committee to achieve our common goals.

The best part of my job at KDOT was meeting with representatives from local communities, businesses and transportation stakeholders, and the people of my state. I was responsible for managing a budget of more than \$1 billion and leading more than 3,000 employees. I logged thousands of miles on Kansas roads, visiting every corner of the state to review projects, meet with employees, and, most importantly, engage community leaders and stakeholders. Effective leadership of a public agency requires an understanding of the people served and how they are impacted by the decisions made. The best way to acquire that understanding and perspective is to get out of the office when possible and appropriate. If confirmed as STB Commissioner, I will work diligently with shippers, large and small railroads, ports authorities, intermodal facilities, and our partners in federal, state and local governments working to gain that necessary understanding and perspective.

One of my major accomplishments while serving as Secretary of KDOT was securing the passage of "T-WORKS" an \$8 billion transportation program designed to be implemented over ten years. Even as we speak, the program is creating and sustaining thousands of jobs, preserving Kansas' enviable highway infrastructure, and creating multimodal economic development opportunities across the state. A key feature of T-WORKS is its focus on public participation, ensuring that individuals and communities can be active participants in the decision-making process.

I will also mention one additional feature of T-WORKS which may be of interest to these proceedings; the reauthorization of, and increase in the funding for, the Kansas State Rail Service Improvement Fund.

This fund provides low-interest loans and grants to railroads and port authorities to preserve rail service as well as make improvements to service. The funds can be used for the purchase of rail cars and for the rehabilitation of tracks, bridges, yards, maintenance shops, building and sidings. T-WORKS also broadened the list of eligible applicants to include shippers and local units of government who partner with the involved railroad. It has been an extremely important tool in Kansas for insuring that shippers and communities have access to needed rail services.

Intermodal freight is also vitally important to Kansas. That is why as Secretary, I personally oversaw the process of providing BNSF with a \$35 million grant that helped the company leverage \$200 million of private-sector investment for construction of a new intermodal yard in Edgerton, Kansas and worked closely with the impacted local governments. Recognizing the significant, positive, economic impact the facility would have on the State, I helped resolve business, policy and community-specific challenges that had to be overcome to make the intermodal yard a reality.

My relatively long tenure as secretary also allowed me to address a cultural problem at KDOT. Put simply, over time large public agencies tend to become insulated from the people they serve. Too often, this leads to an “us” and “them” mentality that can, if not addressed, result in adversarial relationships between agencies and the people and communities they serve. That is where we were headed when I took the reins at KDOT. Thankfully, we changed course. Public engagement meetings that were once considered pro-forma became real listening sessions. We made changes in projects based on what we heard. And slowly, everyone in the agency, long-time engineers included, came to understand that real engagement with the public was just a better way to do business. The culture change that we accomplished during my years as secretary is one of my proudest accomplishments. And it’s one that I believe will serve me well in this new role where careful attention to the concerns of all parties is essential to balancing their needs and maintaining trust in the regulatory process.

Another characteristic of a successful government agency is transparency. Under my leadership, KDOT opened up many of its processes to more collaborative engagement and greater accountability. The approach taken in 2011 when we updated our comprehensive railroad plan, which set policy objectives based on a study of our freight and passenger systems, is an example. To foster an open environment we established a Rail Stakeholder Outreach and Involvement Plan providing stakeholders with multiple opportunities to express their views and to guide KDOT in policy development. We also created a State Rail Plan Advisory Committee to analyze the findings from our public outreach, the work of our consultants and to advise our staff.

In addition to my public sector experience, I have experience working in the private sector as an industry leader and a transportation planner. Currently I am a Senior Consultant with Cambridge Systematics, Inc., a firm that specializes in transportation planning and policy. Previously, I was a consultant at HNTB, a national architectural and engineering firm, at which I provided strategic planning and public communication assistance to municipalities and state DOTs. At the national level, I chaired the Transportation Research Board 's Executive Committee, and headed various task forces at the American Association of State Highway and Transportation Officials (AASHTO), including chairing the Standing Committee on Planning for nine years.

Before closing, I want to mention my view on the importance of developing a balanced transportation system that provides options for its users whether they are shippers or passengers. I believe in establishing and supporting a robust passenger rail network where population densities make it feasible. Recognizing the important jurisdictional role the STB has in passenger rail matters and that many of the issues that will come before the Board will be cases of first impression, I am eager to play a productive role in helping to set the Nation's course in passenger rail.

In my role as KDOT secretary, I have experience with the development of passenger rail. In connection with Passenger Rail Investment and Improvement Act (PRIIA) and High Speed Intercity Passenger Rail Program (HSIPR), KDOT has been actively studying intercity rail passenger service between Kansas City, Oklahoma City, and Fort Worth. In November 2011, while I was secretary, KDOT completed a Service Development Plan for this line working with the FRA, AMTRAK, BNSF and the States of Oklahoma, Missouri and Texas.

In closing, I am honored to appear before this Committee as the President's nominee for Commissioner of the Surface Transportation Board. If confirmed, I look forward to working actively with each of you and your staffs on the important issues in the rail transportation industry. Mr. Chairman, thank you for your consideration and for scheduling this hearing. I would be pleased to answer any questions that you and the Committee may have.