



Florida Department of Transportation

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JIM BOXOLD
SECRETARY

November 1, 2016

Chairman
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423

EP 711 (Sub No. 1)

242240

Mrs. Deb Miller
Vice Chairman
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423

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Office of Proceedings
November 29, 2016
Part of
Public Record

2016 NOV 29 PM 10:26
OFFICE OF CHAIRMAN

Mrs. Ann D. Begeman
Board Member
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Elliott, Vice Chairman Miller and Member Begeman:

It has come to my attention that the U.S. Surface Transportation Board is proposing significant changes to existing regulations on the rail industry. For the reasons below, I urge the Board to substantially modify or abandon these pending regulatory changes.

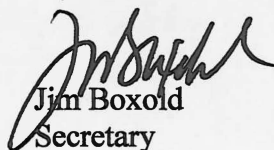
Today, Florida is served by almost 2,800 miles of rail operated by two Class I carriers, one Class II (regional) carrier and twelve Class III (short-line) carriers. The Florida Department of Transportation recognizes the critical importance of an effective rail system to the movement of both goods and people throughout our state and we have a strong partnership with Florida's railroad industry. Rail is vital to minimize highway congestion and to the strength of Florida's economy and the U.S. economy due to the connection to seaports that are critical trade links to Latin America and other international destinations.

Florida has made and continues to make major investments in Florida's deep water ports to increase our economic competitiveness and capitalize on international trade opportunities. Railroads need to continue investing in capacity if we are to maximize this potential.

Deregulation has driven greater competition, increased safety and service, and improved efficiencies – all helping to minimize logistics costs. I am concerned with the U.S. Surface

Transportation Board's regulatory proposals, including open access that would potentially undermine the financial health and stability of our nation's rail network by placing this burden on an industry that often has difficulty covering the cost of huge capital investments. I urge your reconsideration of these issues.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Boxold", is written over the printed name and title.

Jim Boxold
Secretary