

**OPENING STATEMENT of
CHARLES D. NOTTINGHAM, VICE CHAIRMAN**

**Public Hearing - STB EP 690
*Twenty-Five Years of Rail Banking: A Review and a Look Ahead***

July 8, 2009

Thank you, Acting Chairman Mulvey; I would also like to welcome everyone to the hearing this morning. We're here today to take a look back at our experience since Congress amended the National Trail System Act in 1983 to permit the preservation of rail corridors through interim trail use, or "rail banking," and to look ahead at issues surrounding the future of rail banking.

Rail banking has been an important part of the regulatory landscape for rail line abandonments since 1983. Since the Board was created in 1996 to succeed the Interstate Commerce Commission, the agency has granted, on average, about 30 Notices, or Certificates, of Interim Trail Use per year, permitting a railroad to negotiate with potential trail sponsors for interim trail use of a line targeted for abandonment. In cases where an interim trail use agreement is reached, rail banking serves the dual purposes of permitting a public use of the right-of-way as a trail while at the same time preserving for possible future rail service a rail corridor that, once abandoned, could be difficult or impossible to reassemble.

In our hearing notice, we identified a number of questions to guide us as we look ahead to the future of rail banking, and I appreciate the efforts of the witnesses today, as well as those who submitted written comments, to address those issues, such as whether the Board should consider establishing some sort of notice provision when interim trail use agreements are reached (or require submission of the agreements themselves); who should bear the cost of replacing bridges and otherwise restoring a rail corridor when rail service is restored; and what effect has railbanking had on trail users, on reversionary property owners, and on the ability to restore rail service on railbanked lines.

I am pleased that we have appearing before us today witnesses from the major stakeholder groups with an interest in railbanking – railroads, trail sponsors, and adjacent property owners – who can help us address these questions and more. I have reviewed the written testimony submitted by today's speakers, as well as the written submissions from parties who are not speaking today, and I am looking forward to a lively discussion this morning.