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Minnesota House Transportation Finance and Policy Committee Chair Jon Koznick and Committee Members Minnesota House of Representatives Centennial Office Building 100 Rev. Dr. Martin Luther King Jr. Blvd. Saint Paul, MN 55155

Dear Chair Koznick and Members of the Committee,

On behalf of the Duluth Seaway Port Authority, I am writing to express our strong opposition to House File 1167, which seeks to prohibit expenditures for the Northern Lights Express (NLX) passenger rail project. While NLX is a critical transportation initiative for passenger mobility, it also brings significant benefits to Minnesota's freight rail infrastructure, directly impacting the efficiency and competitiveness of the Port of Duluth-Superior.

The NLX project will result in substantial upgrades to the existing rail corridor between Duluth and the Twin Cities, improvements that will also enhance freight movement. Given the increasing demand for multimodal freight transport and the importance of maintaining a globally competitive supply chain, these upgrades are essential to the long-term success of Minnesota's shipping and logistics industries.

The existing rail corridor between the Twin Cities and Duluth is a vital transportation artery for both passenger and freight rail. The infrastructure improvements associated with NLX will:

- Modernize Rail Infrastructure Upgrades to tracks, signaling, and grade crossings will improve the efficiency and reliability of freight rail operations, benefiting industries that rely on the Port of Duluth-Superior to move goods efficiently.
- **Increase Capacity for Freight Movement** A stronger, more resilient rail corridor will allow for greater flexibility in scheduling and accommodate increased demand for both freight and passenger rail traffic.
- **Reduce Congestion and Improve Efficiency** Upgraded rail infrastructure will allow for better coordination between freight and passenger rail operations, minimizing disruptions and improving overall system fluidity.

As the largest and busiest port on the Great Lakes, the Port of Duluth-Superior handles an average of 33 million short tons of cargo each year, including iron ore, coal, grain, and project cargo. Many of these commodities depend on efficient rail transport to move through our port and across the Midwest. Improving the NLX rail corridor will:

• Enhance Supply Chain Reliability – A modernized rail network will strengthen supply chain efficiency, reducing transit times and ensuring that Minnesota businesses can compete in national and international markets.

- Support Economic Growth and Job Creation More efficient freight rail service means lower transportation costs for businesses, supporting job creation in the shipping, manufacturing, and logistics industries that depend on the port.
- **Reduce Highway Congestion and Improve Safety** Strengthening rail infrastructure reduces the need for long-haul trucking, which alleviates highway congestion, lowers road maintenance costs, and enhances overall transportation safety.

The federal government has prioritized investment in rail infrastructure, recognizing its importance to economic growth. The Northern Lights Express provides Minnesota with an opportunity to leverage federal funding to make long-overdue upgrades to a critical rail corridor. Prohibiting state expenditures, as proposed in HF 1167, would block Minnesota from accessing these funds, leaving our infrastructure—and our economy—at a disadvantage.

For these reasons, the Duluth Seaway Port Authority urges you to **oppose HF 1167** and support the Northern Lights Express as a strategic investment in Minnesota's transportation infrastructure. These improvements will strengthen freight rail capacity, support economic growth, and ensure that Minnesota's industries—including those reliant on the Port of Duluth-Superior—remain competitive in the global marketplace.

Thank you for your time and consideration. We look forward to working together to advance a modern, efficient, and globally competitive transportation system for Minnesota.

Sincerely,

Deborah B. DeLuca Executive Director

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