

Statement of Richard J. Kloster
Nominee to be a Member of the Surface Transportation Board
Before the
U.S. Senate Committee on Commerce, Science, and Transportation
November 6, 2025

I would like to begin with saying thank you to Chairman Cruz, Ranking Member Cantwell, and all the distinguished Members of the Commerce, Science, and Transportation Committee. I am honored to appear before you today as you consider my nomination to be a Member of the Surface Transportation Board (“Board”). I am also grateful to President Trump for his nomination.

I’ve spent my whole career working in the rail industry. It began at a Wisconsin rail yard during the third week of October of 1980. For those who don’t remember, that was the same week the Staggers Rail Act was signed into law.

I was young, just out of college, and didn’t really know what a railroad was all about. I remember telling my dad that I was going to work for the railroad. He was a softspoken WW2 veteran farmer from South Dakota, but he was so proud and wouldn’t stop talking about all the family members that had worked for the railroad. There were a lot of stories. I had no idea.

But to me, it still was just a job. Something I needed since I was soon getting married to the love of my life. As for my new job, the scale, the grandeur, and the importance of the railroad hadn’t yet been impressed on me. That would come later.

The rail industry, for its part, had lost its way and was in disarray. It was The Staggers Act that provided a lifeline for what people at the time were calling a dying industry. it would take some time, but a rail renaissance would emerge. As would my love for the industry.

My time with that first Class I railroad would lead to working for a regional railroad, and then a shortline railroad. Both of which were Class I spinoffs that were made possible by The Staggers Act. During this time my knowledge and experience of railroad commercial, operational and strategic matters would grow immensely.

After some time off for graduate school, I moved over to the rail supply chain, working for the largest railcar lessor in the industry. This is where my understanding of all the different facets of equipment supply to the industry would emerge, covering the complete eco-system from builders, to lessors, to shops, component suppliers, and others.

Then finally, about 17 years ago, I started a successful strategic consulting firm specializing in the railroad and rail equipment sectors. These last 17 years have allowed me to expand and round out my knowledge even more, adding M&A, financial, regulatory, technical, and other expertise.

So, when I look back 45 years ago, I see both me and the rail industry starting a new life together. Beginning a new journey. One I had no idea at the time I would embark on but glad I did. And I look back over this time, I see all the incredible changes and growth that have transpired in both me and the rail industry. I wouldn't change a thing.

Which brings me back to one last thing, why am I here today? I am here today to serve my country and the broader industry that has given me so much... the shippers, the railroads, and the supply chain. So, I hope you will have me and allow me to serve and dedicate myself to advancing the mission of the Surface Transportation Board.

Thank you for your time and consideration, and I look forward to answering any questions that you may have.