



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Avenue, SE  
Washington, DC 20590

April 2, 2025

Michael J. Rush  
Senior Vice President  
Safety and Operations  
Association of American Railroads  
425 3rd Street SW  
Washington, DC 20024

Dear Mr. Rush:

This letter responds to your December 18, 2024 petition for rulemaking (P-1795) requesting an amendment to the compliance date for Class I railroads adopted in the Hazardous Materials Regulations (HMR; 49 CFR Parts 171-180) via the HM-263 final rule.<sup>1</sup> Specifically, your petition requests that the Pipeline and Hazardous Materials Safety Administration (PHMSA) extend the compliance date for the final rule for Class I railroads from June 24, 2025, to June 24, 2026, or—alternatively—issue a letter of temporary enforcement discretion for Class I railroads until June 24, 2026.

The petition describes several factors that—in the opinion of the Association of American Railroads (AAR)—make a June 24, 2025 compliance deadline unachievable for the six North American Class I railroads. Specifically, your petition cites the following obstacles to compliance:

Implementation of New Technologies and Systems

1. At least two Class I railroads must develop new technology and software to comply with the requirement that electronic train consist information must be updated prior to continued movement of the train.
2. Class I railroads are developing backup systems to allow continued movement of hazardous materials on their networks in the event of a failure of the primary electronic train consist information system. At least one railroad will be unable to complete development and testing of a backup system by June 24, 2025.
3. The AskRail<sup>®</sup> application, which may be used to comply with certain requirements of the final rule, requires significant software updates to include the additional data fields

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<sup>1</sup> 89 FR 52956 (June 24, 2024).

(including origin/destination of the train and 24/7 emergency response point of contact) adopted in the final rule.

4. One Class I railroad is currently transitioning from a mainframe-based information technology system to a cloud-based system. This transition has been planned for several years, and the requirements for the transition prevent the railroad from developing HM-263-compliant software systems until the beginning of 2025 at the earliest. Such railroad cannot develop and test the necessary systems by June 24, 2025.

#### Cellular Data Coverage

5. Gaps in cellular data coverage along Class I rail networks present significant challenges to HM-263 compliance. Estimates are that for one Class I railroad, up to 5 percent of the rail network is not covered by a cellular data network. Alternatives to full cellular data coverage, such as the use of radio communication to update train consist information, is not viable in the long term and railroads must identify and close cellular data coverage gaps to comply with the rule. Each railroad will require at least 12 months to identify areas not covered by a cellular data network and install the required infrastructure to close the gap areas.

#### Training

6. Each Class I railroad must train employees to comply with the requirements of the HM-263 final rule. AAR describes two example railroads, each of which must provide training to over 10,000 employees to comply with the requirements of the rule. AAR additionally states that railroad employee training cycles are 12 to 18 months long, and therefore, it is not possible to train all required employees by June 24, 2025.

In consideration of these issues and after consulting with the Federal Railroad Administration (FRA), PHMSA is granting your request to make available a temporary notice of enforcement discretion for Class I railroads until June 24, 2026. PHMSA strongly encourages the Class I railroads to achieve full compliance with the final rule's requirements before June 24, 2026, especially for those areas where earlier compliance is more feasible. For instance, the HM-263 final rule provisions requiring immediate telephonic notification of the primary Public Safety Answering Point (PSAP)—such as the 9-1-1 call center—responsible for the accident or incident area, as soon as practicable and ideally by the original delayed compliance date of June 24, 2025. In addition, PHMSA encourages you to offer your members educational and information sessions on the contents of this temporary enforcement discretion notice and the steps necessary to achieve full compliance.

Class I railroads that require the utilization of this enforcement discretion: (1) must provide PHMSA notice that their individual railroad is utilizing this enforcement discretion in its operations, and (2) the Class I railroads that are unable to comply with the requirements of the HM-263 final rule should maintain documentation explaining what specific requirements are not being met, the reasons why the specific requirements are not being met, and what alternative measures are being taken to ensure safety.

The notice described in the previous paragraph should be provided via email to Mr. Steven Andrews, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety

Administration at [steven.andrews@dot.gov](mailto:steven.andrews@dot.gov). Furthermore, any such Class I railroad must notify PHMSA no later than two months prior to the expiration of the current enforcement discretion period if they have any reason to believe further extensions will be required, with the understanding that requests for further extensions are strongly discouraged and may not be granted.

PHMSA has enclosed a copy of the notice of enforcement discretion to this letter and placed a copy in the petition docket. This petition is now considered closed. All correspondence pertaining to this petition will be transferred to the petition docket (Docket No. PHMSA-2024-0205).

If you have any questions, please contact Mr. Steven Andrews in the Standards and Rulemaking Division at (202) 366-8553.

Sincerely,



William S. Schoonover  
Associate Administrator  
Office of Hazardous Materials Safety