

December 1, 2015

The Honorable Paul Ryan
Speaker of the House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader of the House of Representatives
Washington, DC 20515

Dear Speaker Ryan and Minority Leader Pelosi:

The Rail Customer Coalition (RCC) strongly supports swift House passage of S. 808, the Surface Transportation Board Reauthorization Act of 2015. The RCC is a large coalition of trade associations representing the manufacturing, energy, and agricultural industries that rely on railroads. The freight rail industry is critically important to US economic competitiveness, and adoption of the reasonable, commonsense, and non-controversial reforms in S. 808 will help ensure a more appropriate balance between the rail industry and their customers.

The RCC actively supported the bicameral and bipartisan effort to provide an extension of the Positive Train Control deadline, and we commend the House and Senate for adopting the extension in the last short-term highway bill. The RCC is also encouraged to see the productive rail safety and passenger rail provisions advancing in the long-term highway bill.

S. 808 passed the United States Senate by unanimous consent on June 18, 2015 and has been pending in the House for the last several months. Now is the time to finalize these carefully negotiated and important reforms in S. 808 and sign this bill into law.

The Surface Transportation Board (STB) has not been reauthorized since it was created in 1995, and this bill would represent the most comprehensive rail economic legislation since 1980. The bill would make important reforms to better equip the STB to handle today's freight rail challenges, such as giving the STB investigatory authority, creating a voluntary arbitration system, and requiring the Board to maintain a simplified and more efficient rate review mechanism when a full "stand-alone cost" review is too burdensome. Furthermore, the bill calls on the rail industry to invest appropriate resources to maintain rail service levels to prevent the types of service breakdowns such as were experienced in 2013 and 2014.

The Association of American Railroads has recognized the legislation, "striking the right balance of preserving the market-based structure for shippers and railroads." Sen. Thune has noted that while the STB has made "good faith efforts" to reform some of their policies, "the current inefficiencies in the STB's operations are symptomatic of the need for common-sense reforms."

The Honorable Paul Ryan
The Honorable Nancy Pelosi
December 1, 2015
Page 2

The National Research Council, a division of the National Academies of Sciences, also recently released a comprehensive report calling for fundamental reforms to modernize the nation's freight rail policies. The report highlighted major problems with the STB's ability to fulfill its mandate to maintain reasonable rates for shippers that lack effective competition. The report concludes that the STB's rate review procedures have become so costly and burdensome that they are now "unusable by most shippers."

The RCC strongly urges Congress to take advantage of the unprecedented agreement between rail shippers and the freight rail industry to enact S. 808 as soon as possible in order to provide the STB with the tools it needs to oversee today's modern freight rail industry.

Sincerely,

Agribusiness Council of Indiana
Agricultural Retailers Association
Agriculture Transportation Coalition
Alabama Crop Management Association
Alliance for Rail Competition
Alliance of Automobile Manufacturers
American Chemistry Council
American Farm Bureau Federation
American Forest & Paper Association
American Fuel & Petrochemical Manufacturers Association
American Iron and Steel Institute
American Malting Barley Association, Inc.
American Public Power Association
American Soybean Association
Auto Care Association
Chemical Industry Council of Delaware
Chemical Industry Council of Illinois
Chemistry Council of Missouri
Chemistry Council of New Jersey
Colorado Association of Wheat Growers
Connecticut Business & Industry Association
Corn Refiners Association
Edison Electric Institute
The Fertilizer Institute
Florida Fertilizer & Agrichemical Association

The Honorable Paul Ryan
The Honorable Nancy Pelosi
December 1, 2015
Page 2

Foundry Association of Michigan
Freight Rail Customer Alliance
Georgia Agribusiness Council
Georgia Chemistry Council
Glass Packaging Institute
Green Coffee Association
Grocery Manufacturers Association
Growth Energy
Idaho Barley Commission
Idaho Grain Producers Association
Idaho Wheat Commission
Illinois Fertilizer & Chemical Association
Indiana Corn Growers Association
Indiana Farm Bureau
Indiana Soybean Alliance
Institute of Makers of Explosives
Institute of Scrap Recycling Industries, Inc.
International Liquid Terminals Association
International Warehouse Logistics Association
Louisiana Chemical Association
Manufacture Alabama
Manufacturers Association of Florida
Massachusetts Chemistry & Technology Alliance
Michigan Agri-Business Association
Michigan Bean Shippers
Michigan Chemistry Council
Minnesota AgriGrowth Council
Minnesota Crop Production Retailers
Mississippi Manufacturers Association
Missouri Agribusiness Association
Montana Agricultural Business Association
Montana Farmers Union
Montana Grain Elevators Association
Motorcycle Industry Council
National Association of Chemical Distributors
National Association of State Departments of Agriculture
National Association of Wheat Growers
National Barley Growers Association

The Honorable Paul Ryan
The Honorable Nancy Pelosi
December 1, 2015
Page 2

National Corn Growers Association
National Cotton Council of America
National Council of Farmer Cooperatives
National Farmers Union
The National Industrial Transportation League
National Onion Association
National Retail Federation
National Rural Electric Cooperative Association
National Shippers Strategic Transportation Council
National Sunflower Association
Nebraska Agri-Business Association, Inc.
Nebraska Wheat Board
New York State Agribusiness Association
New York State Chemistry Council
North Carolina Manufacturers Alliance
North Dakota Grain Dealers Association
Ohio Agribusiness Association
Ohio Chemistry Technology Council
Oklahoma Agribusiness Retailers Association
Oklahoma Grain and Feed Association
Oregon Wheat Growers League
Outdoor Power Equipment Association, Inc.
Pennsylvania Chemical Industry Council
Plastics Pipe and Fittings Association
Promotional Products Association International
PVC Pipe Association
Rail Customer Coalition
Renewable Fuels Association
Rocky Mountain Agribusiness Association
Society of Chemical Manufacturers and Affiliates
South Carolina Fertilizer and Agrichemicals Association
South Carolina Manufacturers Alliance
South Dakota Wheat Inc.
SPI: The Plastics Industry Trade Association
Steel Manufacturers Association
The Sulphur Institute
Texas Ag Industries Association
Texas Chemical Council

The Honorable Paul Ryan
The Honorable Nancy Pelosi
December 1, 2015
Page 2

Texas Wheat Producers Association
United States Fashion Industry Association
US Dry Bean Council
US Dry Pea & Lentil Council
Vinyl Building Council
The Vinyl Institute
Vinyl Siding Institute, Inc.
Washington Association of Wheat Growers
Washington Grain Commission
West Virginia Manufacturers Association
Western Fuels Association
Western Plant Health Association
Wisconsin Agri-Business Association
Wyoming Ag Business Association
Wyoming Wheat Marketing Commission