

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