

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, "strik(es) 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 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,

Agricultural Retailers Association

[Alliance of Automobile Manufactures]

Alliance for Rail Competition

American Chemistry Council

American Farm Bureau Federation

American Forest & Paper Association

American Fuel & Petrochemical Manufactures Association

American Malting Barley Association

American Public Power Association

Auto Care Association

Chemistry Council of New Jersey

Chemical Industry Council of Delaware

Chemical Industry Council of Illinois

Colorado Association of Wheat Growers

Corn Refiners Association

Edison Electric Institute

The Fertilizer Institute

Foundry Association of Michigan

Freight Rail Customer Alliance

Georgia Chemistry Council

Glass Packaging Institute

The Green Coffee Association

Grocery Manufacturers Association

Growth Energy

Idaho Barley Commission

Idaho Grain Producers Association

The Idaho Wheat Commission

The Institute of Scrap Recycling Industries, Inc.

Institute of Makers of Explosives

International Liquid Terminals Association

International Warehouse Logistics Association

Manufacture Alabama

Massachusetts Chemistry and Technology Alliance

Michigan Chemistry Council

Mississippi Manufacturing Association

Montana Farmer's Union

National Association of Chemical Distributors

National Association of Wheat Growers

National Corn Growers Association

National Cotton Council

The National Industrial Transportation League

National Farmers Union

National Onion Association

National Retail Federation

Nebraska Wheat Board

New York State Chemistry Council

Ohio Chemistry Technology Council

Oregon Wheat Growers League

Outdoor Power Equipment Association, Inc.

Plastics Pipe and Fittings Association

PVC Pipe Association

Pennsylvania Chemical Industry Council

Promotional Products Association International

Rail Customer Coalition

Renewable Fuels Association

Society of Chemical Manufactures and Affiliates

South Carolina Manufacturing Alliance

SPI: The Plastics Industry Trade Association

Steel Manufactures Association

[The Sulphur Institute]

Texas Chemistry Council

U.S. Fashion Industry Association

Vinyl Building Council

Vinyl Institute

Washington Grain Commission

West Virginia Manufacturers Association

Western Fuels Association