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COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON SOCIAL SECURITY
SUBCOMMITTEE ON HUMAN RESOURCES

Congress of the United States
House of Representatives
Washington, DC 20515

The Honorable Daniel R. Elliot, III
Chairman
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

230110

June 14, 2011

Dear Chairman Elliot:

Later this month, the Surface Transportation Board (STB) expects to hold a hearing examining the competitive market of the rail industry. As you know, the freight rail industry is a vital part of our economy, particularly in my home state of Nebraska. With this in mind, I share a growing concern the STB may reach a premature decision without thoroughly investigating the issue and considering the consequences of changes to the regulatory structure.

The United States rail industry has proven to be a stable component of our economy. Across the country, the rail industry employs more than 155,000 American workers. In Nebraska, the industry employs more than 12,000 workers; and my district is home to the world's largest freight classification yard, Bailey Yard, which has more than 2,500 employees.

With the announcement of last month's jobs numbers, it is even more important the federal government work to create jobs by de-regulating sectors which have seen consistent job losses, not by re-regulating sectors which have been reliably strong. In fact, currently the U.S. rail industry is projected to hire 10,000 additional workers in 2011. Because of the importance of the rail industry to our economy, any action taken by the STB to re-regulate the industry should be taken after numerous hearings, thoughtful investigations, and input from Congressional Committees such as the House Transportation and Infrastructure Committee, which also has raised concerns about changing the regulatory structure between railroads and shippers.

In the absence of these actions, I urge you to use caution as you examine the regulatory structure of the rail industry. I also recommend any proposed changes by the STB would promote continued job growth and private investment within the industry. I thank you for consideration of this request and look forward to your response.

Sincerely,


ADRIAN SMITH
Member of Congress

AMS/mb

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