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The Honorable Daniel Elliott, III
Chairman
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

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Dear Mr. Chairman:

It is my understanding that the Surface Transportation Board ("Board") will hold a hearing on rail competition on June 22, 2011. Freight rail is important to my state, and represents also a cornerstone of our nation's transportation infrastructure.

Freight rail moves goods for Nebraskan industry and employs many of my constituents. Nebraskan agriculture depends on a robust freight rail network to move commodities bound for U.S. and foreign markets, and more than 10,000 Nebraskans currently work for a railroad. Still more are retired from the industry and continue to be tied to the health of this important mode of transportation.

Nearly every State in the country likewise depends on freight rail as an economic engine. More than 40 percent of all intracity freight moves by rail. And more than 155,000 American workers draw a paycheck from the freight rail industry. The industry's customers and suppliers employ another 1.2 million Americans.

Private investment has played a significant role in this success, providing almost \$500 billion over the last 30 years. I am concerned that additional regulation will threaten the continued investment necessary to prepare the rail network for forthcoming expansions of commercial traffic. And because federal and state budgets are in crisis, significant public sector funding support is unlikely to replace privately funded improvements. The ramifications of your forthcoming efforts are therefore very significant for jobs and for our transportation infrastructure, both in Nebraska and across the country.

I would ask that you proceed with care. Please also update me on your findings as well as any regulations that may be forthcoming based on your proceedings.

I look forward to hearing from you on this important matter.

Sincerely,



Mike Johannis
United States Senator

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