NASDA
National Association of State Departments of Agriculture
The National Association of State Departments of Agriculture (NASDA)
1156 15th Street, N W, Suite 1020
Washington, D C 20005
202-296-9680 e-mail nasda@nasda org
http://www nasda org/
President Roger Johnson, North Dakota Department of Agriculture

Ex Parte No. 677

222103

Statement of
Roger Johnson, President
National Association of State Departments of Agriculture (NASDA)
Before the
Surface Transportation Board (STB)
U.S. Department of Transportation
395 E Street, SW
Washington D.C.
Thursday, April 24, 2008

Chairman Nottingham and members of the Surface Transportation Board (Board), I am North Dakota Agriculture Commissioner Roger Johnson. I also serve as the President of the National Association of State Departments of Agriculture (NASDA). Thank you for the opportunity to participate in this hearing. Adequate and fair rail service is important to the entire economy of the country and agriculture is a major sector of the economy that is highly reliant on the rail system.

As a national organization, the members of NASDA have individual and regional priorities on many issues. However, the organization is united on the issue of equitable and reliable rail service.

Markets and Rail Transportation Challenges for the Agricultural Sector

Farmers and ranchers face unique challenges in the global market, and require a dependable and affordable means of transportation for their product. Weather, market conditions, and mergers have impacted the rail transportation industry causing grain car shortages, especially in the upper Midwestern States. Farmers and ranchers already operate on exceedingly low profit margins–this paired with dramatic fluctuations in world economics places them in a financially precarious environment that Congress has taken a special interest in addressing. Many farmers and ranchers are captive rail customers without logical or affordable alternative modes of transportation. Agricultural shippers in some parts of the U.S. are paying the highest rail freight rates for, arguably, the most sporadic and unreliable service. Agricultural producers need a clearly defined means for securing reliable service at a reasonable rate.

NASDA's standing policy urges all railroads to charge reasonable rates, offer fair and consistent rate spreads and service to all shippers, and treat all shippers equitably. The state agriculture departments believe that Congress and the Federal government should substantially increase oversight of railroads, including rates and services, where competition is not present. Our members have adopted the following recommendations:

- Congress should require rail carriers, upon request, to quote a rate between any two points on the system where traffic originates, terminates or may reasonably be interchanged without regard to whether the rate is for only part of the total movement.

- Small, captive agricultural shippers, upon request, should be provided with a simple benchmark test for rate and service cases.

- Railroads need to offer co-loading of trains, and to have reasonable loading policies that hold both shippers and railroads responsible for moving equipment promptly.

- Monthly rail shipper survey information should be published.

- The Surface Transportation Board's National Grain Car Council should implement a mechanism that permits shippers to seek nonperformance arbitration.

The Railroad Revitalization and Regulatory Reform Act 1976 and the Staggers Rail Act of 1980 deregulated the rail industry and successfully accomplished the intent of restoring the industry to financial stability. However, in the ensuing years, the industry has undergone major consolidation. The resulting trends in the freight rail service industry are particularly disconcerting for the agriculture industry.

The reduction in the number of corporate entities since the Staggers Act has been matched by a decrease in the physical infrastructure of the railroads. In 1970, the Class I railroads operated about 206,000 route-miles of track. Today, abandonment and spin-offs to smaller railroads (which the Staggers Act authorized) have reduced this figure by 32 percent to about 140,810 miles. The contraction of the industry has been matched by a revival of its fortunes.[1]

Many of the track lines being abandoned are in the most rural areas where, ironically, they are most needed to move agricultural commodities.

General rates, rates for grain, rates for captive shippers, fuel surcharges and line abandonment are seriously impacting the agriculture industry. At the same time the following chart indicates the steady increase in the net income of railroads. The aggregate net income of seven Class I railroads has more than doubled in ten years.

Railroads' Net Income (in $ millions)

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
BNSF	2,139	1,776	1,032	1,063	1,042	1,138	1,397	1,470	1,409	1,138	1,061
CSX	1,108	816	531	368	528	456	360	362	609	694	611
UP	1,819	1,279	929	1,422	1,521	1,397	1,319	1,306	399	883	1,009
NS	1,752	1,608	1,273	899	912	843	586	441	681	858	788
KCS	124	67	79	52	57	65	61	57	78	27	66
CN	525	447	309	220	136	67	55	86	-14	5	-22
CP	92	82	11	54	52	55	60	40	49	91	183
Total	**7,559**	**6,075**	**4,164**	**4,078**	**4,248**	**3,610**	**3,838**	**3,762**	**3,211**	**3,696**	**3696**

Source. Association of American Railroads, Railroad Facts, 1996-2006

GENERAL RATES

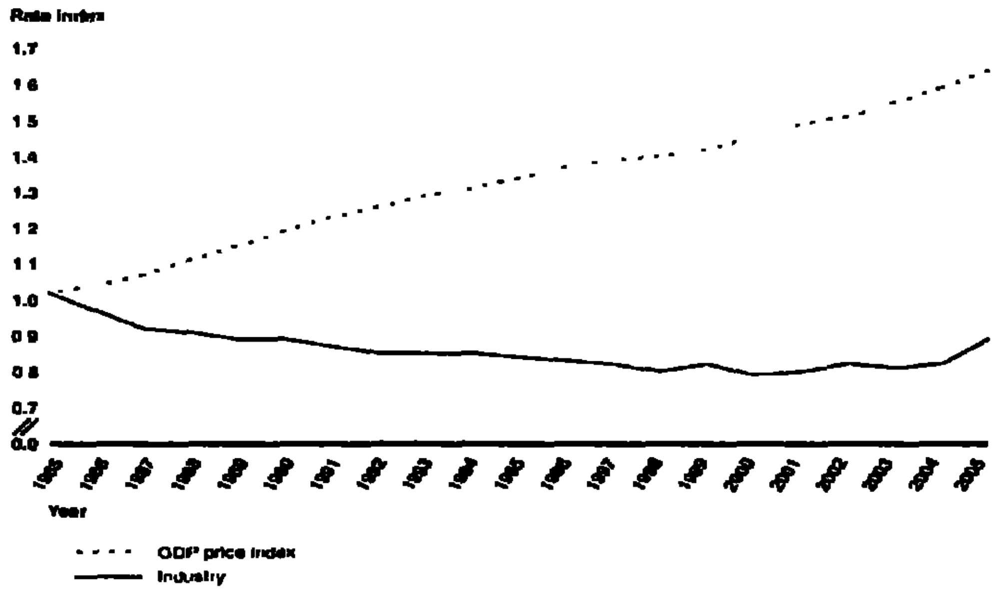
In 2005, industry rail rates increased 7 percent over their 2004 levels, the largest annual increase over the past 20 years, outpacing the rate of inflation for only the second time in 20 years.[2]

---

[1] U.S. House of Representatives Committee on Transportation and Infrastructure Summary of Subject Matter (September 21, 2007)

[2] GAO, *Freight Railroads Updated Information on Rates and Other Industry Trends*, GAO-07-291R

Figure 1: Trends in Industry Rail Rates, 1985-2005



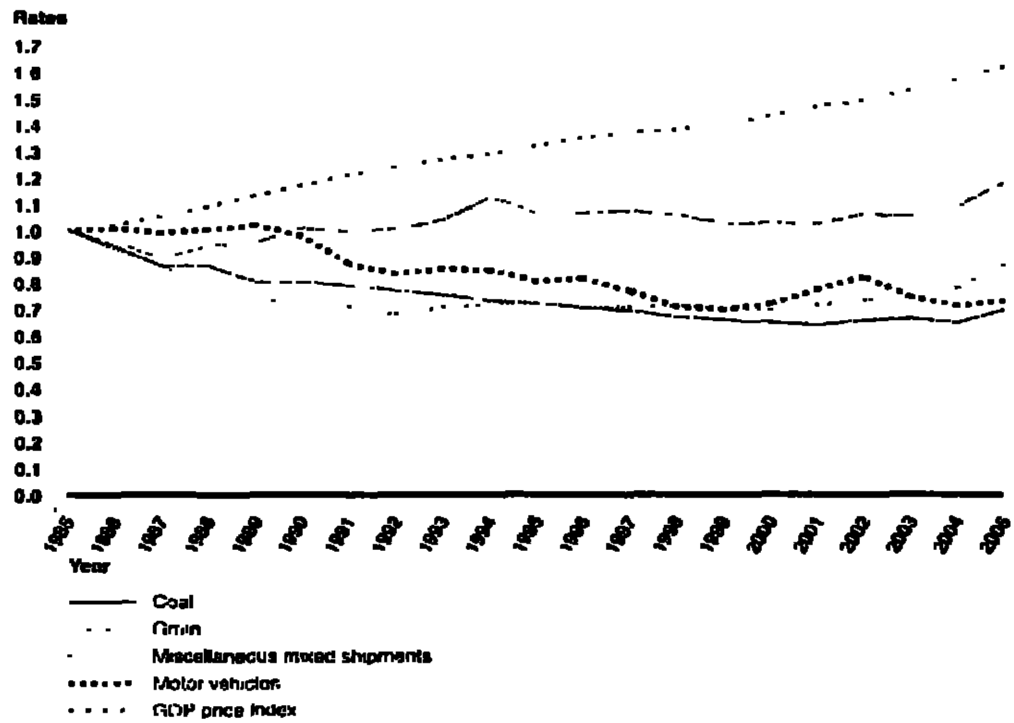
Source: GAO analysis of STB data

General and overall rate increases to adjust for inflationary pressures are to be expected. In fact, the long-term general rate trends have been below the inflation rate. No one wants to see the rail industry go broke. However, when compared to the net income trends, it appears that either the long-term rate trend is excessive or the industry has been improving its bottom line by shedding infrastructure, increasing differential pricing rates, and increasing "miscellaneous revenue."

GRAIN RATES

Of particular concern for the agriculture industry is the trend in rate increases for grain. The trend for grain rates is also below the inflation rate but significantly higher than other rail commodities. This further suggests that agricultural commodities bear the lion's share of captive shipping rates.

Figure 2: Rate Changes for Coal, Grain, Miscellaneous Mixed Shipments, and Motor Vehicles, 1985-2005



Source: GAO analysis of STB data

CAPTIVE RATES

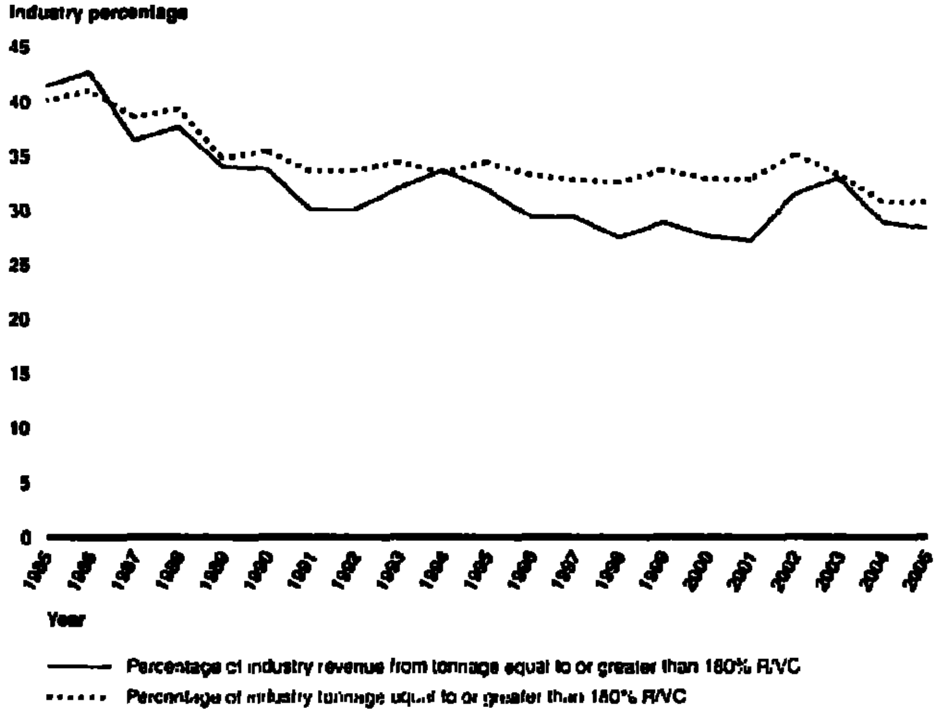
Captive shippers have been and continue to be victimized by extremely high rates. This is clearly evident in my home state of North Dakota and surrounding states. The geographic location of the upper plains states makes us highly dependent on the rail system.

The long distances to the ports make truck shipping inefficient and cost prohibitive, we are without river barge alternatives, and most of our country elevators are situated on a single rail line.

This makes us captive not only to the rail system but, in most cases, to a single rail provider. Add the seasonal shipping demands of agricultural production to this captivity and it is easy to understand that agricultural commodities are at the mercy of potential, if not apparent, monopolistic practices by the rail industry.

While the GAO reports that the amount of captive traffic traveling at rates greater than 180 percent of the variable cost of transporting a shipment and the revenue generated from that traffic have both declined since 1985, the tonnage from traffic traveling at rates substantially over the threshold for rate relief has increased. Total industry tonnage has increased significantly (from 1 37 billion tons in 1985 to 2.14 billion tons in 2004), and the tonnage traveling at rates greater than 300 percent of the variable cost of transporting the shipment has more than doubled—from about 53 million tons in 1985 to over 130 million tons in 2004.[1]

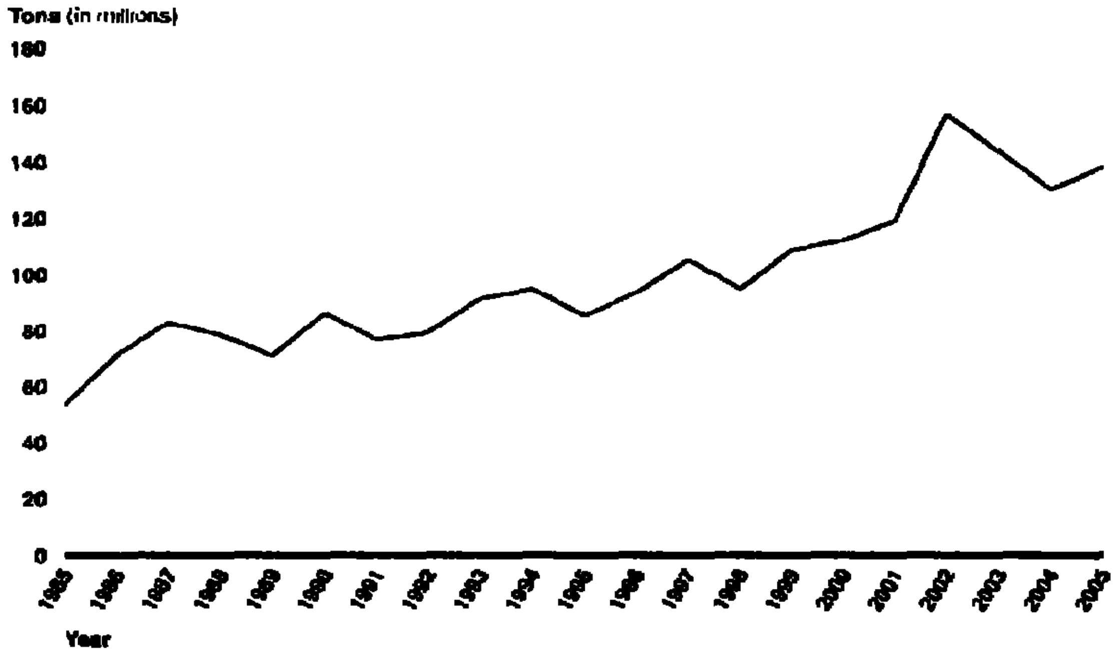
Figure 5: Tonnage and Revenue Generated from Traffic Traveling at Rates Equal to or Greater than 180 Percent R/VC, 1985-2005



Source GAO analysis of STB data.

[1] U S House of Representatives Committee on Transportation and Infrastructure Summary of Subject Matter (September 21, 2007)

Figure 6: Tonnage Traveling at Rates over 300 Percent R/VC, 1985-2005



Source GAO analysis of STB data

Assuming that rates over 180 percent and 300 percent of variable costs are charged largely to captive shippers, the GAO analysis clearly suggests an ongoing trend of shifting rates and rate burden to the higher end and presumably the most captive shippers. The Staggers Act provides for shippers to seek relief from unreasonable rates once the rate reaches the 180 percent of variable cost threshold. However, the relief processes have proven too cumbersome and expensive for most shippers, particularly smaller entities.

While the STB reports it has taken a number of actions to improve the rate relief process and assess competition, the GAO reported in 2006 that further actions are needed to address competition and captivity concerns. The Staggers Act and the ICC Termination Act encouraged competition as the preferred method to protect shippers from unreasonable rates and granted the STB broad legislative authority to monitor the performance of the railroad industry. **However, the GAO reports that these processes have proven to be largely inaccessible because the standard process remains expensive, time consuming, and complex, and the simplified process has not been used.** (emphasis added)

. . . Since 2001, 11 CMP cases have been filed with the Board. All but one is a coal rate dispute. Of the 11, three have been settled and dismissed, one was withdrawn, and one is still pending. Of the six in which final decisions were issued (all using the SAC constraint), all were shipper losses. Further, the STB reports that the average processing time is 2.8 years, with the fastest case taking 1.8 years for a decision to be reached and the longest being over four years.[1]

Mr. Chairman and Board members, how long is this going to be tolerated? It is completely unacceptable to witness this mounting evidence of captive shipping rate abuse with little to no regulatory action. It is also unacceptable to continue relying on ineffectual relief procedures and expect a different outcome. Where competition is non-existent, regulatory oversight must be implemented.

FUEL SURCHARGES

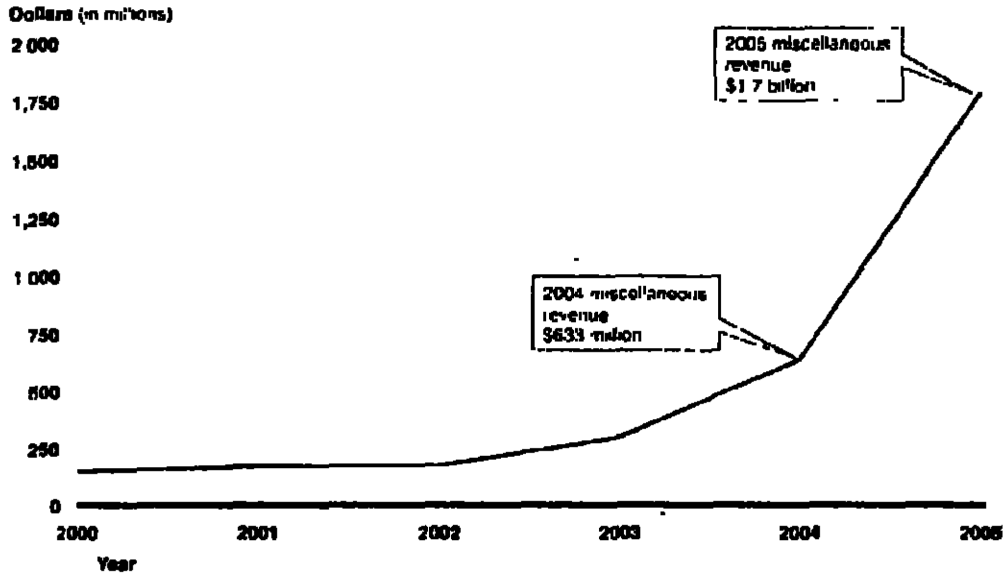
We commend the Board for its actions to curb unreasonable fuel surcharges. The Board's rules finalized January 26, 2007 are a step in the right direction. I commented in support of the proposed rules in August, 2006. As we understand, the Board has also proposed rules for the reporting of revenues raised from fuel surcharges charged by the railroads. Based on GAO findings, we urge the Board to implement reporting rules that are comprehensive and enforceable.

In 2005, the amount of industry revenue reported as miscellaneous nearly tripled over 2004 levels, rising from about $633 million to over $1.7 billion (see fig. 4). This miscellaneous revenue includes some fuel surcharges and other charges for providing rail service. In 2004, miscellaneous revenue accounted for 1.5 percent of freight railroad revenue reported, while in 2005 this percentage had risen to 3.7 percent. Also, in 2005, 20 percent of all tonnage moved in the United States generated miscellaneous revenue.[2]

[1] U S House of Representatives Committee on Transportation and Infrastructure Summary of Subject Matter (September 21, 2007)

[2] GAO, *Freight Railroads Updated Information on Rates and Other Industry Trends*, GAO-07-291R

Figure 4: Miscellaneous Revenue Tracked in Carload Waybill Sample, 2000-2005



Source: GAO analysis of STB data.

The railroads may consider "miscellaneous revenue" as too trivial to warrant detailed reporting breakdowns. However, $1.7 billion is not trivial to the shippers paying it. It is essential that the methods of calculating and applying fuel surcharges be equitable and transparent Fuel surcharges must only be allowed for the implied purpose of recapturing excess fuel costs—not as an additional profit center.

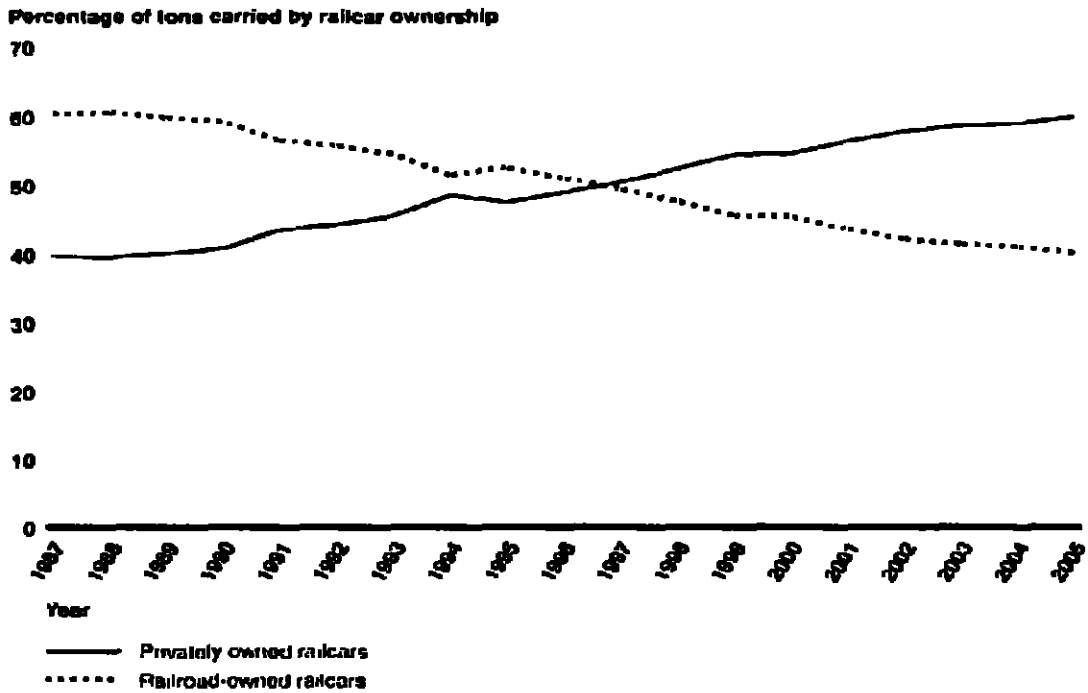
COST SHIFTS

Rail line abandonment and suspect differential rates and fuel surcharges have clearly contributed to the rail industry's bottom line at the expense of shippers. At the same time, the industry has been shifting the railcar ownership burden to shippers as well.

In 2005, freight railroad companies continued a 20-year trend of shifting other costs to shippers. With the addition of the 2005 data, our analysis shows a 20 percent shift in railcar ownership (measured in tons carried) since 1987. In 1987, railcars owned by freight railroad companies moved 60 percent of tons carried. In 2005, they moved 40 percent of tons carried, meaning that freight railroad company railcars no longer carry the majority of tonnage (see fig. 3). [1]

[1] GAO, *Freight Railroads Updated Information on Rates and Other Industry Trends*, GAO-07-291R

Figure 3: Tonnage Carried by Railcar Ownership, 1987-2005



Source: GAO analysis of STB data

This is another example of the industry shedding assets and shifting its responsibilities to shippers. Those impacted the most are again the smaller and captive shipper entities. Shipper-owned cars may be appropriate and feasible for some shippers. However, the rail industry must own adequate rail cars and provide them at a reasonable charge to shippers for which personal ownership is not feasible.

The industry's allocation/availability of cars is already inadequate. As a result, rail cars are shifted around, out of and into different ordering programs. One of the industry's "solutions" has been to put already overpriced cars up for bid to shippers.

In North Dakota for example, in the summer of 2005, BNSF suspended nearly all ordering of railcars through its Certificate of Transportation (COT) program for upcoming harvest months. During one week in August, BNSF minimally opened the bidding and offered 75 single car COT orders for October placement. There were 858 bids, 11 bids for every car, and those who "won" the bids paid close to $400 per car over the tariff. That same day there were 668 bids for 45 grain cars for November placement, with winning bids paying $419 over tariff.

This is about 12 cents per bushel - a significant amount of money when grain is usually produced and handled on a thin profit margin. Depending on location of the bidding grain elevator, this is a 15-25 percent increase in the normal tariff rate. No business voluntarily bids up a key expense component, but in this case the railroad is the only game in town. Bids went much higher in later fall months. By restricting the allocation of car supply, BNSF has been able to reap higher and higher profits as shippers desperately scramble to book transportation. BNSF takes these bookings and bids as signals that the market will bear even higher rates. But this is not a market; by definition it is a monopoly and should be governed as such.

INTERMODAL SHIPPING

Mr. Chairman and Board members, please be assured that rail service problems are not limited to bulk commodity rail car service. Captive intermodal shippers of agricultural commodities and food products are receiving equally abusive rate and service treatment.

Due in large part to the worldwide demand for identity-preserved commodities, the demand for container shipping of agricultural products is dramatically increasing. Adequate availability of containers is reliant on containerized imports. Unfortunately, high rail rates deter further inland rail shipping of the containerized imports. Often, the containers are unloaded at coastal-ports-for domestic distribution, further exacerbating serious container shortages in the Midwest.

Attached to this testimony is a January 29, 2008 letter to U.S. Senator Dorgan from a North Dakota intermodal shipper (Attachment A). The letter provides a first-hand example of what is occurring with intermodal shipping in one region; the Red River Valley of North Dakota and Minnesota. The following excerpt from the letter details a regional situation of captive shipper practices by the rail industry.

. . . Shippers from this Region and/or a representing forwarder negotiate directly with steamship lines to provide freight rates to ship products from intermodal terminals to foreign destinations (Ports) These rates are inclusive of both rail and ocean moves. Consequently, shippers do not negotiate directly with the railroads to move line containers from an inland terminal (Dilworth) to an ocean Port. In addition to Dilworth, shippers from this Region obtain rates from either Minneapolis or Winnipeg, but make the final decision based on what is the most economical for their move. Unfortunately, even though Dilworth is our nearby terminal, it is no longer economically feasible to source containers here due to unusually high freight rates provided by the steamship lines. The specific reason freight rates have soared for container movements out of Dilworth is because the BNSF railroad has increased the costs to the steamship lines for not only moving empty containers into Dilworth from the terminals in Chicago, but also the extremely high difference in cost for a move from Dilworth to the west coast compared to a move from Chicago or Minneapolis to the west coast. And, the interesting and ironic fact is that, up until very recently, there have been a minimum of 200 empty containers going directly through Dilworth on any given day, yet the railroad was and continues to assess the steamship lines a much higher cost to make exchanges and moves from Dilworth.

The letter also describes efforts in the state of North Dakota to address rail service and rate issues. Apparently, the railroad was long on lip service and short on good faith action.

As you are likely aware, the State of North Dakota, in cooperation with the cities of both Minot and Fargo entered into a contractual agreement with a national firm, namely Wilbur Smith, to mitigate these costs in favor of the feasibility for a new co-load concept that would improve statewide access and service to container equipment, but more importantly improve freight rates from this Region. **<u>This co-load idea was actually suggested by BNSF</u>**. Prior to the contract signing in late January 2007, these 3 entities also informed and discussed this strategy with the leaders in Bismarck.

Everyone was in agreement that this effort was necessary and may indeed resolve our dilemma. Unfortunately, Wilbur Smith was not successful. **<u>BNSF has even clearly informed Wilbur Smith that the BNSF would not permit new intermodal service to divert business from currently operating hopper car services and would use price as a mechanism to prevent this</u>**. (emphasis added) [1]

As a result of this letter and Senator Dorgan's intervention, the author reports that a BNSF executive contacted him stating that BNSF was publicly announcing a rate equalization that should provide some relief for their situation.

---

[1] SB&B Letter to Senator Dorgan, January 29, 2008

The announcement was indeed made. However, the rate equalization announcement pertained to bulk grains but not bagged identity-preserved commodities in containers. I urge you to read the letter in its entirety and you will easily understand shippers' frustration with industry practices.

These practices are contrary to the statutory requirement that carriers must provide service upon reasonable request (49 U.S.C 11101), and also the requirement in Section 11121 that railroads "shall furnish safe and adequate car service and establish, observe, and enforce reasonable rules and practices on car service."

SUMMARY

Chairman Nottingham and Board members, you have no doubt noticed that I have relied heavily on GAO findings in my testimony. There is good reason for doing so; the GAO has clearly identified the reasons we are here today.

Obviously, we would prefer that the industry take their "common carrier obligations" seriously by doing the right things. However, the record over the last twenty-plus years suggests that has not happened.

SUPPLEMENTARY INFORMATION: The common carrier obligation refers to the statutory duty of railroads to provide "transportation or service on reasonable request." 49 U.S.C. 11101(a). A railroad may not refuse to provide service merely because to do so would be inconvenient or unprofitable.[1]

The issues of rates and service cannot be separated when contemplating the common carrier obligation. To provide service at prohibitive rates is merely manipulation short of service refusal.

Concentration in the freight rail industry has led to virtually unfettered monopolistic practices by the carriers. The question is: What is going to be done to bring this industry under control for the public good?

[1] STB Notice STB Ex Parte No 677, February 22, 2008

As the regulatory agency charged with oversight of the rail industry, the burden is on the Board to take bold actions in response to the misguided direction of the industry. This will require major and comprehensive reforms. Anything less will allow the continuation of unfair and harmful industry practices and service to shippers. Actions must be decisive and prompt to prevent rail service from continued deterioration.

It has been noted by some that the Board does not have sufficient human or financial resources to adequately perform the enormous task of addressing these problems If that is the case, we urge the Board to make a plea to Congress for the additional resources required.

Change must occur and if all else fails, we are quite certain that Congress will, and should, step in to legislatively regulate the industry. As you are likely aware, there is already pending legislation in the House and Senate to address some of the rail competition and service concerns. NASDA approved support for the legislation at its February, 2008 meeting. A copy of the letter sent to the Committee Chairs and bill sponsors in both chambers is attached.

Chairman Nottingham and Board members, this concludes my remarks. Thank you for the opportunity to appear. I would be happy to take any questions.

SB&B

SB&B FOODS, INC.

January 29, 2008

The Honorable Byron Dorgan
657 2nd Ave. N., Room 306
Fargo, ND 58102

Dear Senator Dorgan,

Thank you for instructing your staff to take time last week to visit about our intermodal issues. We are grateful for your leadership and desperately need your help

The demand for identity preserved commodities shipped by container from North Dakota and NW Minnesota continues to escalate. Unfortunately, for shippers and ultimately producers from this region, we can no longer compete with other suppliers and producers from the Minneapolis and Chicago regions Please allow me to summarize the issue.

Since the early 1990's consumers and food manufacturers mostly in developed countries, began particularly to request specific varieties of soybeans from this Region that had certain food quality characteristics and that could be packaged and shipped by container to protect the purity and identity. Hence the term, "identity preserved or IP" quickly became common language in both the food and production industries Today, not only has the demand for food grade soybeans exploded, but buyers from all countries are now sourcing IP supplies of every other crop grown in North Dakota and Minnesota

As recent as early 2005, shippers from this Region had continued to ship containers from the terminal in Dilworth, Minnesota utilizing freight rates that were competitive. However and unfortunately, our rates have increased dramatically in the past two years. I will try to explain Shippers from this Region and/or a representing forwarder negotiate directly with steamship lines to provide freight rates to ship products from intermodal terminals to foreign destinations (Ports). These rates are inclusive of both rail and ocean moves. Consequently, shippers do not negotiate directly with the railroads to move line containers from an inland terminal (Dilworth) to an ocean Port. In addition to Dilworth, shippers from this Region obtain rates from either Minneapolis or Winnipeg, but make the final decision based on what is the most economical for their move Unfortunately, even though Dilworth is our nearby terminal, it is no longer economically feasible to source containers here due to unusually high freight rates provided by the steamship lines. The specific reason freight rates have soared for container movements out of Dilworth is because the BNSF railroad has increased the costs to the steamship lines for not only moving empty containers into Dilworth from the terminals in Chicago, but also the extremely high difference in cost for a move from Dilworth to the west coast compared to a move from Chicago or Minneapolis to the west coast. And, the interesting and ironic fact is that, up until very recently, there have been a minimum of 200 empty containers going directly through Dilworth on any given day, yet the railroad was and continues to assess the steamship lines a much higher cost to make exchanges and moves from Dilworth.

As mentioned, prior to 2005 our freight rates from Dilworth to foreign destinations were competitive and consistent with Minneapolis and Chicago origins. Today, the origin rates from Minneapolis and Chicago have certainly increased, but the rates from Dilworth origin have skyrocketed. All shippers from our Region are now trucking empty containers from Minneapolis to our own cleaning facilities for loading much, much cheaper than sourcing empty containers from Dilworth. Steamship lines have made it very clear to us that they can no longer provide competitive rates from Dilworth simply because of the high costs the railroad is assessing them now for the Dilworth location. Obviously, if freight rates were increasing equally industry wide, we would not raise this issue But, frankly we are becoming less and less competitive, our margins have shrunk to critical levels and we are not able to get the railroad to address our concerns or reduce their fees to the steamship lines. All of this in addition to the fact that the Minneapolis terminal is now suffering availability and infrastructure problems which now is creating container shortages for both North Dakota and Minnesota shippers. Regional shippers are also now being forced to consider alternatives such as possibly having to truck containers from and back to Chicago. Our Region is at serious risk of significantly reducing or even losing our ability to service Asian markets with value-added agricultural products due to BNSF operation and rate policies.

As you are likely aware, the State of North Dakota, in cooperation with the cities of both Minot and Fargo entered into a contractual agreement with a national firm, namely Wilbur Smith, to mitigate these costs in favor of the feasibility for a new co-load concept that would improve statewide access and service to container equipment, but more importantly improve freight rates from this Region. This co-load idea was actually suggested by BNSF. Prior to the contract signing in late January 2007, these 3 entities also informed and discussed this strategy with the leaders in Bismarck Everyone was in agreement that this effort was necessary and may indeed resolve our dilemma. Unfortunately, Wilbur Smith was not successful. BNSF has even clearly informed Wilbur Smith that the BNSF would not permit new intermodal service to divert business from currently operating hopper car services and would use price as a mechanism to prevent this. Senator, there has obviously been an intent by the BNSF to affect the change of agriculture and food industry trends.

The demand and growth in the shipment of commodities by container is real. Dynamics of production agriculture are changing, and in many ways this Region has become a leader because of the diversified production that can be supplied. In addition, producers here bring a value-added attitude and willingness to meet these demands while at the same time, being rewarded for their extra efforts But now, many of us are struggling to match competitor pricing and are at risk of losing markets that so many have worked so hard to build, simply because of the increased freight costs

We will certainly appreciate your immediate attention and would be happy to discuss this more personally if your time allows. We look forward to your comments.

Very sincerely yours,

Robert B. Sinner, President
SB&B Foods, Inc.

February 26, 2008

The Honorable Frank R Lautenberg, Chairman
Senate Commerce, Science and Transportation Subcommittee
On Surface Transportation and Merchant Marine Infrastructure, Safety and Security
324 Hart Senate Office Building
Washington, D C. 20510-3003

Dear Chairman Lautenberg

As an organization representing agricultural producers and industries nationwide, we are writing to express our strong support for the Rail Competition and Service Improvement Act of 2007.
S 953 was introduced in the 110th Congress by Senators Dorgan and Rockefeller with 12 co-sponsors A companion bill, H.R. 2125, was introduced in the House with 53 co-sponsors This indicates the non-partisan nature of, as well as national interest in, this proposed legislation

Rail transportation remains a critical component to the agriculture industry as it moves commodities to domestic and international markets from the producers in rural America. We, the elected and appointed members of the National Association of State Departments of Agriculture, continue to support a safe, efficient, and economical rail infrastructure system. However, lack of competition among the railroads has resulted in unreasonably high rates and unreliable service for agriculture producers. Today, with the massive concentration in the rail industries in the 1980's and 1990's, entire states, whole regions and even complete industries have become captive to a single railroad

S 953 is critically important to ensure that rail customers have access to competitive rail service and that those rail customers in areas without competition retain access to reliable rail service and are protected from unreasonable railroad rates and practices. The legislation also includes provisions such as final offer arbitration, which is especially important to agriculture because grain producers and marketers have no ability to pass costs on to customers in the form of higher prices when transportation costs are raised arbitrarily

This legislation is supported by the Alliance for Rail Competition which includes the Agricultural Ocean Transportation Industry, the American Chemistry Council, American Public Power Association, Consumers United for Rail Equity, the Edison Electric Institute, National Association of Wheat Growers, National Barley Growers Association, National Petroleum Refiners Association, National Rural Electric Cooperative Association, Paper and Forest Industry Transportation Committee and the United Transportation Union.

The Senate Commerce Committee held productive hearings on this legislation last fall The bill has significant bipartisan co-sponsorship from members representing agriculture constituencies. We want to lend our strong support to your continued efforts to bring fairness to the marketplace and to ensure agriculture access to safe, reliable and competitive railroad service in this ever increasingly competitive global marketplace.

Sincerely,

Roger Johnson
NASDA President
Commissioner, North Dakota Department of Agriculture

National Association of State Departments of Agriculture
NASDA

The National Association of State Departments of Agriculture (NASDA)
1156 15th Street, N W, Suite 1020
Washington, D C 20005
202 296-9680 e-mail nasda@nasda org
http://www nasda org/
President Roger Johnson, North Dakota Department of Agriculture