

DAKOTA COUNTY, NEBRASKA
Dakota County
Board of Commissioners
P.O. BOX 39
DAKOTA CITY, NEBRASKA 68731
(402) 987-2130



August 27, 2020

Ann D. Begeman, Chairman
Martin J. Oberman, Vice Chairman
Patrick J. Fuchs, Board Member
Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Begeman, Vice Chairman Oberman and Board Member Fuchs:

This year marks the 40th anniversary of the enactment of the Staggers Rail Act. We write to urge the Board to maintain the balanced underlying economic framework that has been the bedrock of your decisions and ensure that no actions you take undermine the ability of freight railroads to reinvest in the rail network.

Any action inhibiting freight rail investment would threaten economic development and quality of life in our communities, precipitate job losses in the rail supply and contracting sectors, and undercut safety, efficiency and productivity across the rail network, affecting all railroads, small and large.

As you know, the Staggers Act established a visionary approach to regulation that sparked a freight rail renaissance and continues to provide measurable benefits to businesses, consumers, taxpayers and our economy.

This landmark, bipartisan legislation was necessary because decades of rigidly prescriptive federal overregulation had decimated the U.S. freight rail network. Bankruptcies were commonplace, rail rates were rising, safety was deteriorating, and rail infrastructure and equipment were in increasingly poor condition because railroads simply could not earn enough to pay for basic upkeep, let alone innovation and improvements.

Since the implementation of a balanced system of economic regulation under the Staggers Act, which protects rail customers while allowing railroads to manage their assets and pricing, U.S. freight railroads have invested hundreds of billions of dollars in the rail network. Rail traffic has doubled, rail productivity has more than doubled, rail rates are down more than 40 percent, and recent years have been the safest on record.

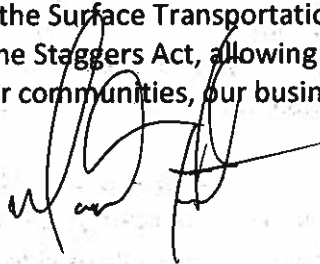
Freight railroads' massive, post-Staggers investments in infrastructure, equipment and technology transformed a failing rail system into a high-tech, highly efficient, interconnected network that links American communities, businesses and consumers to markets across the country and around the world.

This is important to us and to our country. Every ton of freight moved by rail promotes economic development, mitigates pollution, eases worsening highway congestion and saves taxpayers money. Railroads are four times as fuel efficient as other modes of transport and emit 75 percent fewer greenhouse gases. Additionally, railroads do not require the significant public spending that subsidizes other modes.

Railroads are in the midst of revolutionary technological innovation as they adapt to meet changing customer demands and maintain their status as the safest, most efficient way to move freight over land.

We implore the Surface Transportation Board to preserve the delicate regulatory balance created by the Staggers Act, allowing freight railroads to innovate, adapt and reinvest in the rail network. Our communities, our businesses and our employees depend on it.

Sincerely,



Martin Hohenstein
Dakota County Board Chair

CC: U.S. Senate Commerce, Science & Transportation Committee
U.S. House Committee on Transportation & Infrastructure