



For Immediate Release:
www.railcure.org

Contact: Emily Roper (202) 667-0901
Emily.Roper@widmeyer.com

Senators Urge Reid to Move Forward on Railroad Antitrust Enforcement Act

Kohl and six Senators send letter to Senate Majority Leader requesting full Senate consideration of bill to remove rail antitrust exemptions

Washington, D.C (February 8, 2008)—Senator Herb Kohl (D-WI), along with six other Senators, today sent a letter to Senate Majority Leader Harry Reid (D-NV) urging him to bring the Railroad Antitrust Enforcement Act of 2007 (S. 772) to the Senate floor for full consideration. Also signing the letter were: Senators John D. Rockefeller (D-WV), Tom Harkin (D-IA), David Vitter (R-LA), Norm Coleman (R-MN), Russ Feingold (D-WI) and Byron Dorgan (D-ND).

The bill would remove the railroad industry's unfair antitrust exemptions and was passed out of the Senate Judiciary Committee late last year by a bipartisan unanimous vote. It has been awaiting full Senate consideration.

“The nation’s freight railroads today enjoy broad exemptions from U.S. antitrust laws. While there may have been a need for such exemptions when the federal government played an outsized role in the regulation and management of railroad operations, that is no longer the case,” the letter states. “Today, enactment of the Railroad Antitrust Enforcement Act would simply subject the railroads to the nation’s antitrust laws like virtually every other industry in our economy, including both those that operate in deregulated as well as regulated markets.”

In 1980, Congress passed the Staggers Rail Act with the intention of partially deregulating a national rail industry that had been floundering for years. The purpose of partial deregulation was to replace government regulation with market competition wherever possible. As a result, Congress exempted the railroads from some antitrust laws, intending the Interstate Commerce Commission—now the Surface Transportation Board (STB)—to oversee the industry and prevent any monopoly abuses. However, the STB continues to turn a blind eye to the realities of the railroad industry, allowing—and in some instances empowering—freight rail companies to wield considerable monopoly power over rail customers.

###

Consumers United for Rail Equity (CURE) represents a wide variety of rail customers including public utilities, rural electric coops, agriculture; chemical, ethanol, cement and other manufacturers, forest and paper companies, and their customers.

For more information about CURE visit: www.railcure.org