

June 29, 2004

The Honorable John McCain, Chairman  
Committee on Commerce, Science & Transportation  
254 Russell Senate Office Building  
Washington, DC 20510-6125

The Honorable Don Young, Chairman  
Committee on Transportation and Infrastructure  
2165 Rayburn House Office Building  
Washington, DC 20515-6256

Dear Chairman McCain & Chairman Young:

We write to you today in support of S.919 and companion bill H.R.2924, the Railroad Competition Act. This legislation encourages competitive rail shipping rates and reasonable transportation costs, which are vital to the competitiveness of both of our states industries, including grain producers, forest and taconite industries and electric utilities.

S.919 and H.R.2924 promote competitive rail shipping rates and reasonable transportation costs. Passage of this bill guarantees that railroad customers can obtain rate quotes between any two locations served by railroad, by limiting the length of anti-competitive contractual provisions imposed by class one railroads on short line railroads, and by ensuring that small carload and intermodal shippers are not precluded from accessing the rail system.

It is difficult to imagine that in 1980, when Congress deregulated the railroad industry, it envisioned the degree to which consolidation would occur in that industry, nor the economic consequences that would be imposed on captive rail shippers. Moreover, we believe that Congress in 1980 would have anticipated greater competition in the railroad industry than exists today, 23 years after deregulation. We commend the Subcommittee for exploring this important issue, and encourage you to take the steps needed to restore competition to this vitally important industry without reimposing federal regulation.

Chairmen, we strongly encourage your respective Committee's support for passage of S.919 and H.R.2924, the Railroad Competition Act. Please share our support with your colleagues on the subcommittee and include our comments in the hearing record.

Sincerely,

  
John Hoeven  
Governor of North Dakota

  
Tim Pawlenty  
Governor of Minnesota

  
Judy Martz  
Governor of Montana

cc: The Minnesota Congressional Delegation  
The North Dakota Congressional Delegation  
The Montana Congressional Delegation