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### Noted and Quoted

"I'm very optimistic about getting this done before the end of this session."

- *Congressman James Oberstar, Chairman of the House Transportation and Infrastructure Committee, on passing rail reform legislation in the House.*

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## Chairman Oberstar Outlines Path for Rail Reform Legislation

Congressman James Oberstar (D-MN), chairman of the House Transportation and Infrastructure Committee, outlined a path forward for rail reform legislation that would get a bill to the President's desk this year. At a policy forum of the National Industrial Transportation League (NITL), Chairman Oberstar said he and Senator Jay Rockefeller (D-W.Va.), chairman of the Senate Commerce Committee, "met just recently to fashion a common bill."

According to a report in *The Journal of Commerce*, Oberstar said the plan is that "the Senate would move first on it, but we'd have an identical bill. They move it; we'll introduce ours, and won't need a (House-Senate) conference." Chairman Oberstar's comments are an encouraging sign for rail shippers that rail reform legislation could move quickly through the U.S. House after the Senate votes on the bill.

The full story can be viewed [here](#).

## Farmers Still Face Excessive Shipping Rates from Railroads

*The Wall Street Journal* recently spotlighted the monetary troubles farmers across America encounter when it comes to rail shipping. According to the article, farmers are complaining that railroads take advantage of their market dominance and charge inflated rates for carrying goods to shipping ports. In some instances, farmers must pay higher rates than competitors whose goods travel longer distances, solely because they lack access to competing modes of transportation.

Farmers, grain merchants, chemical makers and other shippers are seeking relief from excessive rail prices "after the government found freight rates for many crops rose almost 50% from 2003 to 2007."

The full story can be viewed [here](#).

## Recent Opinion Articles Call for Fair Railroad Pricing

Two recent opinion articles, one authored by a Member of Congress and another by a captive shipper, highlighted the need for Congress to take action on rail relief legislation. Congressman Tim Walz (D-MN) pushed for strengthening the Surface Transportation Board to ensure small businesses and manufacturers are treated fairly by railroads in an [op-ed](#) in *Roll Call* newspaper. Walz wrote about excessive shipping costs and the toll they take on both shippers and consumers and the need to "restore competition and fairness to a broken system that is badly in need of repair."

In an [op-ed](#) in the *Daily Caller*, vice-president of the East Texas Asphalt Company Gene Carrier wrote about the impact the railroad's unchecked pricing power has on small businesses. Like many companies, Carrier's family-owned business relies mainly on railroads when it comes to shipping but only has access to one railroad, meaning he's a captive shipper. As a captive shipper, he faces unfair and excessive pricing schemes, unreliable service and little help from the Surface Transportation Board. This year he hopes to see Congress "restore fairness to railroad pricing and provide relief to shippers and consumers getting bullied by big railroads."

## Rails May Walk from High-Speed Projects

Several big railroads are shying away from taking on President Obama's high-speed passenger train project, threatening one of his top domestic policy initiatives. No railroad would go on the record as threatening to cancel the project, but *TRAINS Magazine* reported many railroads viewed the project as "overly intrusive government intervention." The \$8 billion federal commitment to the project would be implemented by the Federal Railroad Administration (FRA). Interviews with executives of the four largest U.S. railroads revealed concerns about the workability and strenuousness of requirements that the FRA proposes to accompany federal high speed railroad funds.

## Court Defers to STB, Charges BNSF in Rate Case

Last month, the appeals court of the District of Columbia Circuit deferred to the Surface Transportation Board in a freight rate case between BNSF and the Western Fuels Association and Basin Electric Power Cooperative. STB determined that BNSF charged "unreasonably high" freight rates on coal shipments and was ordered to pay about \$345 million in reparations and future rate relief.

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