



## **Rail Competition and Competitiveness**

*May 2010*

The National Association of Wheat Growers supports passage of currently pending rail legislation including S. 2889, the Surface Transportation Board Reauthorization Act of 2009, which was approved by the Senate Commerce Committee in December 2009.

### **The Need**

Wheat producers rely on an effective railroad system to stay in business. For many, rail shipment is the only cost-effective transportation mode available. At the same time, producers recognize the need for railroads to attract investment. Producers also need and deserve reasonable rail rates and service, necessitating a strong, reformed Surface Transportation Board (STB) to oversee the sector in a balanced manner.

*Wheat growers ask for cosponsorship and passage of S. 2889, the STB Reauthorization Act of 2009.*

### **Rail Reform Legislation**

A comprehensive rail reform bill passed by the Senate Commerce Committee in December, S. 2889, would reauthorize and recharter the STB and make a number of needed reforms that will improve competitive conditions and transparency in the rail industry and provide improved mechanisms for challenging rates.

S. 2889 represents a balanced compromise that enhances competition and addresses both the needs of the shipping community and the need for railroads to attract needed investment. This legislation will bring much-needed balance back to the STB, and create a more level playing field for both railroads and shippers.

If finalized, ag producers can expect a more responsive and accessible board and new shipper-friendly elements like an office of customer advocate and ombudsman program and an arbitration mechanism that is designed to be timely, cost-effective and accessible to producers. NAWG and other stakeholders that have been involved in the construction of the bill believe it represents a balanced compromise to address the needs of both the shipping community and railroads.

### **Action Is Needed Now**

We have a narrow window to put this issue to rest this year with the passage of S. 2889. We urge Members to cosponsor S. 2889, and relay the importance of passage to Senate leadership.

NAWG also supports passage of pending rail antitrust bills (S. 146/H.R. 233). We urge the lead sponsors of each of the pending rail bills to come to an agreement on a single, comprehensive rail bill that can be voted on and passed in the Senate this year.

### **Learn More**

More about wheat growers' transportation priorities at [www.wheatworld.org/transportation](http://www.wheatworld.org/transportation).

#### **National Association of Wheat Growers**

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